

SOUTH OF MARKET PROJECT AREA COMMITTEE
1035 Folsom Street
San Francisco, CA 94103
Phone: (415) 487-2166 FAX: (415) 487-2169
December 15, 1997

Members Present: L. Wayne Batmale, Jim Berk, Marty Cerles, Marlies Hensel, Martin Herling, Don Marcos, Eric McDougall, Rev. Janet Norman, Amelita Pascual, Charles Range, Jeff Roth, Antoinetta Stadlman, John Stevens, Willis Warner.
(Note: Don Marcos, Amelita Pascual and John Stevens (arrived late for the meeting))

Members Absent: Amy Bayley, Jackie Benjamin, Roselyn Calangian, Edwin Jocson, Nick Patel and Rick Patel.

Guests: Henry Perez, Dr. Borjas, Monique Nakagawa, Teresa Vergel, and Alicia Duke.

Staff: Barbara Amato and Helen Sause.

Roll Call: The meeting was called to order at 6:10 PM. A quorum was present.

Agenda: The Agenda was approved. Agendas in the future will have an item to address the following meeting. **Chair Range** recognized **Michael Kaplan's** dedicated work in the South of Market and the fact that this was his last meeting as he is retiring.

Minutes: The minutes of the meeting of November 17, 1997 were approved as a record of discussions at that meeting. It was also approved that "PAC members absent from the November 17 meeting will not have their absence counted against them."

New Business

Agenda Item 1. Resource Committee Report on Staff/Office Space/Budget

Mr. Roth reported that the Resource Committee at their last meeting made the following three motions to present before the PAC to approve and forward to the Redevelopment Agency:

Motion: *"The PAC approves the SOMPAC 1997/98 budget."*

Vote: **Yes: 8** **No: 5** **Abstain: 1** **Motion Passes**

Motion: *"The PAC authorizes the Redevelopment Agency to enter into a lease for PAC office space located at 1035 Folsom Street."*

Vote: **Unanimous** **Motion Passes**

Motion: *"The PAC authorizes the Redevelopment Agency to enter into a consultant agreement with the S.F. Community Clinic Consortium for PAC fiscal services and staff hiring."*

Vote: **Unanimous** **Motion Passes**

Discussion

Mr. Roth also provided the PAC members with some background starting five months ago. The PAC at that time approved researching both Renaissance, which wasn't interested, and the Community Clinic Consortium, which charges 5% for doing the financial aspects of managing the contract. **Mr. Roth** also checked with **Ed Schoenberg** of the Northern California Council for the Community, who informed him that their organization was not going to handle being a fiscal agent for others anymore including SOMPSC. The Resource Committee is also recommending that office space be leased at 1035 Folsom next to the PAC's current meeting room. With slight modifications for actual costs, the proposed budget is within \$1,000 of what was proposed five months ago. The Resource Committee members passed the above at the Thursday meeting.

Agency staff reported that if the motions passed the full PAC the recommendation would be presented to the Agency Commission at the January 6 meeting.

The motion on the budget was made, seconded and opened up for discussion. **Ms. Norman** asked the PAC members and the audience if there was a case being made for an alternative approach and differing opinions, and asked to hear if there were any before the vote was taken. **Mr. Perez** commented that an organization was already in place and that a new one should not be created.

With no other questions or comments, **Chair Range** called for the question. The vote count was eight yes, one abstention and five no. Motion number 1 passed.

It was discussed that the special Resource Committee would complete its limited tasks such as writing job descriptions for staff positions and negotiating the office and meeting space lease and then would conclude its responsibilities. It was also discussed how the meetings were noticed and all Resource Committee members were invited to participate.

A motion was made and seconded to amend motion number 2 (above) to provide for a three-year lease. After much discussion, the motion failed; seven yes, six no, one abstention.

A motion was made and seconded to amend motion number 2 (above) to provide for a three-year lease, which would be renewed every year. Motion failed; seven yes, eight no.

Motion number 2 (above) was moved, seconded and passed.

Motion number 3 (above) was moved, seconded and passed.

A motion was made by **Mr. Batmale** to present to the Redevelopment Agency that the vote was close and that five members of the PAC wanted to have the South of Market Problem Solving Council (SOMPSC) handle the staff and other tasks as a way to save costs. The vote was seven yes and seven no. The motion failed.

Old Business

Agenda Item 2. The Housing Committee Report

Ms. Stadlman reported that the Housing Committee is requesting that the PAC include the following charge of work for the Housing Committee:

1. "Enlisting the participation of the City Attorney's Code Enforcement Task Force in addressing habitability issues in various buildings in PACland."
2. "Cooperating with the Crime and Safety Committee to extend the data on the list supplied by Laurie Friedman to include any such data the Housing Committee deems relevant."
3. "Creating a prioritized list of potential development sites within PACland."
4. "Investigating the situation with the Delta Hotel with the aim of restoring all the lost rental units as soon as possible."

Discussion

This work is in addition to the work necessary to prepare the amended Redevelopment Plan beginning with a review and comment by the Housing Committee on the Goals and Objectives of the Plan as it relates to housing issues.

The motion was seconded and there was a call for discussion. After much emotional debate **Ms. Norman** suggested that another committee should handle code enforcement issues relative to health and sanitation. **Ms. Stadlman** responded that what the Housing Committee is trying to do is force the City Attorney to respond to the PAC, show the PAC a list of violations, and start demanding some real action.

A PAC member responded that in order to be fair to the landlords the PAC should not defend reckless tenants who destroy private property and that the results of these conditions goes both ways. So far only one side is coming out of this conversation, which is "hit the landlord." Some hotels spent \$40,000 to fix up the hotel and everything was nice and beautiful. It was torn apart in two weeks time. So the fact-finding should be two-sided. Several PAC members do what they can to see those people get kicked out.

After more discussion on the role of the Housing Committee, it was determined that the Committee should give special attention to the technical aspects, including the issue of more housing in the community. The Health Committee would work with Housing because what is being discussed concerns public health.

TODCO has prepared some draft language for livability standards that have not been adopted by anyone. These standards deal with health and safety, and livability in SRO's. When approved by the PAC they will be incorporated into an implementation document such as the Owner Participation Rules for the to-be amended Redevelopment Plan. The research work that has been done with the City Attorney and others on a policy for SRO standards will be a starting point for the work of the PAC. The PAC would like to have some City experts make a presentation on the law, as well as hear from some of the hotel owners about the pros and cons of having SRO livability standards.

It is a concern of some PAC members that some SRO hotel owners will try to bypass any standards that are adopted. It should also be explored and understood why some SRO tenants can't stay beyond the 28th or 29th day due to some rent control situation.

It was agreed that the Housing Committee would work with Agency planning staff on certain portions of the Owner Participation Rules, which will incorporate SRO livability standards. These are just one element of a whole exhaustive list of official documents that need to be adopted by the PAC. While the discussion is extremely important, it also will be extremely important for the PAC and its communities to stay focused. The Agency offered to assist in any way it can to move forward.

Mr. Berk raised the idea that the Crime and Safety Committee should also address some of the issues related to livability standards, which is dealing with the Earthquake Preparedness Plan.

The Executive Committee will discuss the overlapping charge of work of each of the Committees at their next meeting and will recommend how to coordinate the tasks.

The motion failed (7 yes and 7 opposed).

Agenda Item 3. The Human Resources Committee

Mr. Berk reported for the Human Resources Committee and made the following motions:

Motion: *“The Human Resources Committee will liaison with any advisory board that is involved with design of the new Bessie Carmichael School and report back to the PAC from time to time on matters relating to the Agency’s Plan.”*

Vote: Yes: 12 No: 0 Abstain: 1 Motion Passes

Motion: *“The Housing Committee will study the functional relationship between the Department of City Planning, the City’s Master Plan, the Redevelopment Agency and any related bodies, as applied to the South of Market Redevelopment Area, and report the situation to the PAC.”*

Vote: Yes: 12 No: 0 Abstain: 1 Motion Passes

Agenda Item 4. Request by SRO Representatives John Stevens and Janet Norman

In a letter to the PAC dated November 6, 1997 it was requested that the PAC endorse three statements in the Proposed South of Market Plan Amendment (dated October 17, 1997) in Section 101 Section A.

Motion: *“Rehabilitate and revitalize the existing single room occupancy (“SRO”) hotels to the Agency’s Standards of Livability, which are in conformance with the City’s SRO Ordinance (Ordinance #368-94, adopted by the Board of Supervisors on October 24, 1994).”*

Vote: Yes: 7 No: 6 Abstain: 1 Motion Fails

Motion: *“Encourage improvement of management, operation and maintenance of residential hotels and other residential buildings containing ten or more dwelling units using the Livability Standards.”*

Vote: Yes: 7 No: 6 Abstain: 1 Motion Fails

Motion: *“Facilitate financial and technical assistance for owners and tenants within the Project Area.”*

Vote: Yes: 7 No: 6 Abstain: 1 Motion Fails

Mr. Perez discussed the draft SRO standards and the work the 6th Street Residents and Merchants Association (SSMRA) are doing with the City Attorney. The property owners are also requesting resident participation and accountability. The PAC is asked to participate to help determine what the community wants. “We (SSMRA) just want to help it and then get assured that it gets enforced.”

Agenda Item 5. Further discussion on Statement of Interest Forms

The Chair reported that at the PAC’s last meeting the Redevelopment Agency was requested to notify or deal with those individuals who have not completed the Form 700. Although the PAC cannot take any action, the PAC can make a recommendation to the Redevelopment Agency. It is the Agency’s informal policy (although not required by law) to have all individuals complete the form.

Mr. Kaplan reported that 11 individual members and 4 community-based organizations (CBO’s) have submitted completed Form 700. There are still 7 individual members and 2 CBO’s that have not submitted the statements of economic interest.

One CBO representative contacted **Mr. Kaplan** to request that only the CBO statement be sufficient, and **Mr. Kaplan** responded that an individual form was required also. The other PAC members have not called or acknowledged the letter.

Agenda Item 6. Further Discussion on Livability Standards

Ms. Norman and **Mr. Roth** returned with the following amended motion for consideration:

Motion: *“Rehabilitate and revitalize the existing single room (“SRO”) hotels to be in conformance with the City’s SRO Ordinance.”*

Motion: *“Encourage improvement of management, operation and maintenance of residential hotels and other residential buildings containing ten or more dwelling units.”*

Motion: *“Facilitate financial and technical assistance for owners and tenants within the Project Area.”*

A Roll Call Vote was taken:

Those Voting Yes: Jim Berk, Marty Cerles, Marlies Hensel, Martin Herling, Charles Range, Willis Warner, Janet Norman and Jeff Roth

Those Voting No: L. Wayne Batmale,

Those Abstaining: John Stevens, Eric McDougall and Amelita Pascual

Vote: Yes: 8 No: 1 Abstain: 3 Motion Passes

Agenda Item 7. Report on the Delta Hotel

Dr. Borjas, owner of the Delta Hotel, reported on the past progress of the Delta Hotel, since the devastating fire. He is currently negotiating with a non-profit firm to manage a low-cost SRO senior housing project in the hotel.

Meeting Adjourned: 8:30 PM

Next Meeting: Tuesday, January 20