

**SOUTH OF MARKET PROJECT AREA COMMITTEE  
GENERAL MEETING**

**1035 Folsom Street, San Francisco, CA 94103**

**(415) 487-2166 FAX: (415) 487-2169**

**Tuesday, February 17, 1998 6:00 PM**

**Meeting Participants**

L. Wayne Batmale, Amy Bayley, Jackie Benjamin, Jim Berk, Marty Cerles, Marlies Hensel, Edwin Jocson, Don Marcos, Charles Range, Jeff Roth, Antoinetta Stadlman and Willis Warner

**Members Absent:** Roselyn Calangian, Martin Herling, Rick Patel, Eric McDougall, Janet Norman, Amelita Pascual and John Stevens

**Staff/Redevelopment:** Helen Sause, William Carney, Erwin Tanjuaquio, Debbie Davis, Olson Lee, Aaron Krasnow and Patrick Zak

**Guests:** David Baker/Architect, Sharon Christian/TODCO, Emillin Diaz/Minna Street Residents Assn., Alisia Duke/S.S.M.A., Larry Davis/Resident, Anabel Hoyt/Emerald Fund, John Huslop/S.F.T.H.C., Greg Lunkes/Emerald Fund, Adrian Newman/Emerald Fund, Chris Reyes/Asian Inc., John Roth/M.N.A. and Teresa Vergel/TODCO

**Roll Call and Introductions**

**Chairperson Charles Range** convened the meeting at 6:30 PM, noting that since a quorum was not yet present, only informational items would be discussed until a quorum was present.

**Helen Sause**, Executive Deputy Director introduced **William Carney** as the new South of Market Project Manager. **Mr. Carney** brings with him a strong background working with the Yerba Buena Center, Rincon Point South Beach, Transbay Survey Area and Hunters Point.

**Mr. Carney** stated that he was pleased to be working with the South of Market group and the community, and that SFRA Executive Director **Jim Morales** has emphasized the importance of this area. He would like everyone's perspectives on the area and plans to continue the implementation of affordable housing as a primary area objective.

**Chair Charles Range** had each member of the South of Market group introduce themselves and state their affiliation.

**Implementation Issues**

**Agenda Item 1. Emerald Fund Group Presentation on 1045 Mission Street**

**Greg Newman** of Emerald Fund reported that further review of the economic feasibility of the original proposal had resulted in a revised proposal for a development of 278 units, with 80% market-rate and 20% affordable. Adjusted for inflation, rents on affordable units are expected to range from \$415 to \$478 per month with 5 units at \$640 per month. They are still working on what the market-rate units will rent for. (See attached Rent Ranges for 1045 Mission.)

Concern was expressed regarding the viability of low income housing together with market rate units. The developer felt that the mix would work with intensive management.

The Mayor's Office sets the rates for affordable housing, based on the median income level for the City. These units would have annual certification.

The parking ratio is 1 space per unit. There appears to be no need for conditional use approval at the moment.

Emerald Fund is a for-profit developer, and there is no funding coming from the City or the Redevelopment Agency. This will be the Emerald fund's first mixed-income project utilizing tax-exempt bonds. Emerald Fund has a strong history of real estate development Citywide.

Architect **David Baker** has produced over 2,000 housing units within a 15-year span. He presented a model and drawings of the revised scheme.

There was a discussion of sunlight and the potential impact of shadowing the Asian Design building. Developer stated that this impact should be minimal since the Emerald Fund development is to the north. The project is to include retail, exercise facilities, and a Laundromat, with the possibility of some ground floor uses being open to the public.

The developer will request the Agency Commission to increase its previously approved bond inducement resolution from \$24 million to \$30 million.

**Charles Range** pointed out that Emerald Fund representatives had stated that the project would include "affordable" parking during the original presentation of the project, but were now saying that all of the parking would be "market rate". He said that a number of PAC members had expressed concern at the loss of area parking, since the development would replace a large parking lot. He requested that affordable parking spaces be included in the project.

At 7:25 PM **Chairperson Range** noted that a quorum was now present and action items could be considered. **Mr. Berk** made a motion and **Dr. Warner** seconded the motion.

**Motion:** *"That the PAC supports the Emerald Fund proposal in concept and request further study especially related to parking."*

**Vote**

**Unanimous**

**Motion Passes**

### **Agenda Item 2. Project Update on Housing Projects**

**Olson Lee**, Agency Housing Chief, introduced Agency housing staff **Patrick Zak** and **Aaron Krasnow**. A summary of completed and active SOM Housing projects was distributed. (Attached)

Projects that are in the works include the Natoma and Melrose sites. The parcel the Agency is trying to acquire on Natoma Street is still being negotiated.

TODCO has had a dialogue with the owner of the Delta Hotel. TODCO has commissioned an appraisal, which came in lower than the owner's. The Agency may reconcile the two and could assist in the acquisition. The goal is to provide as much affordable housing as possible.

Members requested a list of on-going projects, active and inactive. SFRA will have the Project Description updated. Members also requested an educational session on the use of private funds, public funds, and eminent domain for housing purposes. **Bill Carney** indicated that these items could be included in a discussion of the Plan Amendment process at the next meeting.

**Amy Bayley** announced that the Rose Hotel dedication is scheduled for April 16<sup>th</sup> at 11:00 AM.



the redevelopment process and on the substantive documents and actions to be reviewed would help.

PAC requested a report on the status of the Federal Office Building at the next meeting.

**Agenda Item 6. Committee Reports**

The Crime and Safety Committee distributed copies of its February report (incorrectly labeled “January”) prior to the meeting.

The Housing Committee had no report at this time.

The next PAC meeting was announced to be March 16<sup>th</sup>.

**Chairperson Charles Range** adjourned the meeting at 8:45 PM

**Attachments:**

Rent Ranges for 1045 Mission  
Summary of SOM Housing Projects  
Mission Statement  
Draft Goals and Objectives  
Report of Crime and Safety Committee