

**SOUTH OF MARKET PROJECT AREA COMMITTEE
GENERAL MEETING
1035 Folsom Street, San Francisco, CA 94103
(415) 487-2166 FAX: (415) 487-2169
Tuesday, February 16, 1999 6:00 PM**

Agenda Item 1. Roll Call (6:16 PM)

Assisting Vice Chair Jeff Roth opened the meeting as presiding chair.

Members Present: Dave Latina (for Mercy Charities Housing), Jim Berk, Armando Bolanos, Marty Cerles, Edwin Jocson, Amelita Pascual/SOM Foundation, Ramon Ferrer (for SF Medical Center Outreach Program), Joseph Robertson, Jeff Roth, Antoinetta Stadlman, Dr. Willis Warner, George Aquilar (for South of Market Employment Center) L. Wayne Batmale and Marlies Hensel

Members Absent: Dr. Mahendra Dave, Ahmed Fuad, Eric McDougall and Bernadette Borja Sy

Staff/Redevelopment: Helen Sause, Bill Carney, Jose Campos and Patrick Zak

Staff/SOMPAC: Ann Grogan, Jerry Clark

Agenda Item 2. Agenda Review (6:16 PM)

Mr. Roth proposed that item 15 be moved up to the first item since a guest providing information needed to depart early. There was no objection.

Mr. Batmale arrived at 6:16 PM.

Agenda Item 3. Approval of Minutes (6:17 PM)

Motion: *"To approve the minutes of the November 1998 and January 1999 General PAC meetings."*

Vote: Unanimous

Motion Passes

Agenda Item 4. Election to Fill One SRO Vacancy (6:18 PM)

The candidate withdrew her application.

Agenda Item 5. Announcement of March PAC meeting: Monday, March 15, 6:00 PM at the Columbia Sq. Apartments meeting hall, 1035 Folsom Street (6:18 PM)

Out of Agenda Order

Agenda Item 15. Report on Community Needs Assessment and Findings for Health Care in PACland (6:19 PM)

Ms. Griffin introduced Susan O'Conner of Harder and Associates, who presented a Needs Assessment and findings for health care in PACland. The homeless population poses a challenge to serving families and seniors. The South of Market Health Center has outgrown its present facility. There are long waiting lines and parking and transportation problems. South of Market residents are unaware of area health facilities and there is a need for more outreach. The satisfaction level is low and there is a need for what clients deem as a safer, less crowded

facility with better services. Options are: create a new facility that approaches the desired service level and type needed for a growing community. Locate all or part of the services for homeless and seniors in facilities that focus on their special issues. The new geriatric center on Clementina Street provides an example. There is a current opportunity to attract new clientele to a new health center that would make it competitive and beneficial. **Ms. Griffin** will attend the Human Services Committee if there are more questions about the Needs Assessment.

Back to Agenda Order

Agenda Item 6. Blight Analysis and Likely Boundary Affects by Agency (6:28 PM)

The blight Study is part of the Plan Amendment process, which may add eminent domain powers to those of the Redevelopment Agency. The Agency is not prepared to suggest final boundaries at this time. There appears to be insufficient evidence of blight in the expanded areas to justify inclusion at this time. The epicenter of blight focuses along both sides of 6th Street and sections of Market Street. A blight report is necessary to provide legal support for defining any area for redevelopment. The Agency may need an analysis of the southern portion of the area regarding economic blight. The Agency welcomes comments on its Draft Blight Report distributed to members.

Mr. Campos presented a map of findings of physical conditions of blight along 6th Street and in PACland. A second field study was made of the area resulting in support for the original findings. The Pontiac Hotel and apartment (136 6th Street) is to be reevaluated. Many buildings on 6th Street are deteriorated and show signs of serious deferred maintenance needs.

Mr. Roth asked how the Agency could determine that a building that is boarded up yet inside has visible evidence of water damage from the floors above, could not be considered dilapidated but only deteriorated. **Mr. Campos** stated that the research process was a standard one, did not involve entering a building, and that a deteriorated building also constitutes evidence of blight. Buildings indicated on the map with stars are UMB buildings and are unsafe. Unsafe buildings are blighted buildings. Buildings that are inappropriate for their present uses or constitute "incompatible land uses" may constitute blight. In this category the PAC should consider Adult Entertainment Uses, Porn Shops, Non-Legitimate Theaters, Liquor Stores and Bars.

Ms. Hensel arrives at 6:42 PM.

Ms. Hensel asked how Market Street was zoned. **Mr. Campos** stated that Market Street was zoned C-3 commercial. **Mr. Campos** presented the four economic conditions of blight, which are: property values in the study area that are stagnant, an abnormally low lease or rental rate, overcrowding and an excess of incompatible uses and there is a high crime rate. The mapping of economic blight included underutilized lots, underutilized storefronts, empty lots not yet designated for use, stagnation of property values, liquor stores, bars and adult entertainment.

Mr. Carney described the recently proposed merger of the SOMPAC and Mid Market redevelopment efforts. The two areas share many of the same issues, although there are also special concerns in each; for instance, theaters in Mid Market and SRO's in PACland. Combining MMPAC and SOMPAC could be beneficial to both. A Plan Amendment could take a year. Both PAC's would vote on the proposed Plan Amendment, which would accomplish the merger. The greatest PAC legal clout would be at this point, because a nay vote would trigger the requirement for a 2/3 vote by the Board of Supervisors to pass the Amendment. The existing PAC's would stay as they are throughout the adoption of the Plan. After Plan adoption, a new election for Mid-Market would have to be held.

Mr. Roth stated that the size of the combined PAC would be of concern considering that the Mid-Market PAC has almost 30 members of which, most of them are commercial members, and the area covers almost 20 blocks. He was concerned that if the area of the Mid Market Project Area were reduced to the 3 blocks now proposed, the number of Mid-Market members if maintained at their present level, would be overwhelming. **Mr. Carney** clarified that the Mid Market member number would need to be reduced accordingly. **Ms. Hensel** asked how this proposal would affect the Agency's resources to the PAC. **Mr. Roth** stated that the Agency budget would be shared between SOMPAC and the Mid-Market area.

Mr. Roth announced that the Executive Committee had established a Special Committee to study the Agency's proposal to merge a portion of the Mid-Market Survey Area with the SOM Project Area, and that **Mr. Cerles** was suggested to chair the committee. PAC members wishing to serve on the committee should notify Ms. Grogan.

Agenda Item 7. Agency Budget for 1999-2000 (Including PAC Office Budget (7:07 PM))

The Agency budget is scheduled to be passed at this month's Commission meeting. There is a \$5,300,000 housing budget proposed for next year that includes the Delta Hotel Project and the NOFA for replacement housing. The budget also includes a \$175,000 savings transferred savings from the Mid-Market budget to the SOM budget. **Ms. Pascual** inquired about other savings from last year's budget. There is a \$2,175,000 savings from unexpended housing resources.

Motion: *That PAC approve the 199-2000 Redevelopment Agency Budget."*

Mr. Berk stated opposition and advised that the PAC wait for March until after committee review. **Mr. Cerles** wished to know what was being gained and what lost in the proposed budget. **Mr. Roth** noted that if the PAC voted for the budget now and changes had to be made, it would be difficult later on. **Mr. Batmale** and **Dr. Warner** saw no need to wait and miss the opportunity to be timely with its advice.

Amended Motion: *"That the PAC delay budget action until next month."*

Vote: **Yes: 11** **No: 2** **Abstain: 1** **Amended Motion Passed**

Mr. Roth asked that the Agency prepare a new chart to show what was not spent and a column to demonstrate this year's expenses as opposed to last year's.

Agenda Item 8. Emporium Site Project and Federal Building Project – Mitigation Research Project Reports by Staff (7:25 PM)

Ms. Grogan presented the Emporium Site Project. There will be a cumulative shortage of 1880 parking spaces by year 2015 or earlier. The primary mitigation proposed is that employees and customers be rewarded for using public transportation. Parking and traffic circulation issues were mentioned in the EIR report, but insufficiently addressed. Three new issues of concern have arisen since the January meeting when Ms. Grogan distributed the first draft report (a second summary report was distributed), based upon her review of the EIR, comments of the Agency's architect, and news articles. Those are: That developers could rather easily use this basement to build a parking garage under the Emporium site; since they are totally demolishing the inside of the building and a basement level is already in existence. That developers could rather easily use this basement at the least, to locate the unloading dock beneath the surface level, if not, build a parking structure. That developers have not articulated plans to consult with the community and receive input on these or other design issues. The only opportunity to date for public comment on the project and its impact on traffic, parking and other environmental impacts was at the December 8, 1998 hearing on the proposed EIR. In addition, developers

submitted concept designs prior to receiving public input at the EIR hearing, and held limited consultation with the Agency's architect, which is an unusual procedure. **Mr. Carney** confirmed that developers did preliminarily consult Agency architects and staff, and stated that they would likely welcome an invitation to consult with the PAC.

Motion: *"That PAC staff draft a letter inviting the Emporium Site Project Developers to present a discussion of design plans to SOMPAC."*

Vote: Unanimous

Motion Passes

Mr. Clark presented the Federal Building Site Report. Heavy winds require mitigation in building design to offset the effect. Despite gathering some 2700 federal employees from buildings spread across the city, parking and traffic issues were not addressed or dismissed by the EIR as not requiring mitigation. **Mr. Clark** distributed a summary of the project and mitigation, and opportunities for PAC input. The Agency expects to take possession of the land March 10 and ownership is handed over to GSA soon thereafter. The PAC will be invited to participate in public hearings and a small group working with GSA architects (once chosen 4-6 months from now) on the final design. Since this project obviously has the support of the Mayor, staff was requested to survey members about what to propose to the Mayor in a letter, as far as further mitigation desired by PACland to draft such a letter.

Mr. Batmale stated that he has visited the current Federal Building many times and hardly ever has any problems finding a parking space, so is not concerned about that issue.

Agenda Item 9,10 and 11. (7:52 PM)

Postponed to the March meeting.

Agenda Item 12. Executive Committee Report and Motions (7:54 PM)

Motion: *"That PAC support Minna Russ Children's Park meeting at SOMPAC on March 8, 1999."*

Vote: Unanimous

Motion Passes

Motion: *"Implement the new Cooperation Agreement between Agency and Planning Department prior to adoption of Amended Plan."*

This was discussed last summer. The idea of placing the Agency in the lead position for design review instead of planning would be considered, but not until the Plan is amended. **Mr. Roth** inquired about the benefit of implementing this now instead of waiting for the Amended Plan to be adopted and stated the review powers will be expanded when the Plan is adopted. He stated that there is already a notification process in place, which should be sufficient for now. **Mr. Berk** said that the Planning Department charges \$200 for a review but the Agency doesn't charge anything. He stated that the PAC should ask the Redevelopment Agency to sign the agreement for the interim period before the Plan is amended.

Vote: Yes: 3

No: 6

Abstain: 5

Motion Fails

Motion: *"Early amendment of the Plan (passed by the PAC at the November meeting), including at least elimination of the earthquake limitations; inclusion of the survey areas to expand the Project Area to PACland (as based on prior survey subject to current survey) land use policies and process for all of PACland and basic housing policies (eminent domain with limitations)."*

Mr. Berk accepted an amendment to his motion by **Dr. Warner**:

Amended Motion: *“Early amendment of the Plan (passed by the PAC at the November meeting), including at least elimination of the earthquake limitations; inclusion of the survey areas to expand the Project Area to PACland, if included (based on prior survey subject to current survey), land use policies and process for all of PACland and basic housing policies (eminent domain with limitations).”*

Vote: Yes: 9 No: 0 Abstain: 5 Motion Passes

Motion: *“That PAC supports 474 Natoma as ownership-affordable housing with preponderance for family units.”*

Vote: Unanimous Motion Passes

Motion: *“That staff expeditiously contact lot owners to obtain support and/or enroll them in the central freeway neighborhood tree planting program of Friends of the Urban Forest.”*

Vote: Unanimous Motion Passes

Motion: *“That PAC support immediate reactivation of the Steam Cleaning Program.”*

Vote: Yes: 13 No: 1 Abstain: 0 Motion Passes
(Ms. Stadlman was out of the room for the vote.)

Motion: *“For decades the children of SOM have been denied a proper school and the residents denied a public park at the Bessie Carmichael site. The PAC requests that the Agency should write the School District and the Parks and Recreation Department to urge giving this joint project a much higher priority.”*

Vote: Unanimous Motion Passes

Motion: *“That PAC support acquiring, renovating or constructing a new Youth Center.”*

Vote: Yes: 13 No: 0 Abstain: 1 Motion Passes

The Chair asked that staff draft a letter of support to be presented to the Executive Committee meeting in March.

Agenda Item 13. Agency Report (8:34 PM)

The DPW contract for Sixth Street Improvements is approximately \$200,000. Sixth Street Basement Loan Program on favorable terms, repaid without interest when the property is sold. This program will pay up to \$75,000 to hotel owners who seek a loan for a full basement fill-in or a matching grant of up to \$45,000 for structural reinforcement only.

Mr. Roth inquired how filling in basements relates to concerns before the Crime and Safety Committee. **Mr. Berk** responded that sidewalks being torn apart and walls braced, present safety issues.

Motion: *“That PAC approves the DPW contract.”*

Vote: Yes: 10 No: 0 Abstain: 3 Motion Passes

Motion: *“That PAC approves the Sixth Street Basement Program.”*

Vote: **Yes: 9** **No: 2** **Abstain: 3** **Motion Passes**

Agenda Item 14. Process of Eminent Domain by Agency (8:47 PM)

Eminent Domain is the most significant power given to the Agency to solve blight problems. It could be used to address: vacant lots, vacant buildings, UMB's, Damaged Buildings, SRO hotels with over 10 units and surfaced lots.

Agenda Item 15. (8:54 PM)

Addressed earlier on agenda.

Agenda Item 16. Committee Reports (8:55 PM)

The Economics Committee is still working on parking structure priorities. The Housing Committee has nothing additional to the motions already voted on. **Dr. Warner** announced that an independent businessman requested support from the Human Services Committee for an initiative for the fall ballot. It proposes a pencil and paper test to identify addicts applying for General Assistance who then does not receive money, which can and usually does support their drug habits, but housing and treatment vouchers. Others would receive regular bi-monthly grants. The program is in effect in Chicago and other places and is receiving support. This item will likely be on the next PAC agenda. The Crime and Safety Committee will review the 6th Street Improvement Project and operations of liquor stores.

General Comments (8:55)

None

The meeting was adjourned at 8:55 PM.