

SOUTH OF MARKET PROJECT AREA COMMITTEE

1035 Folsom Street, San Francisco, CA 94103
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Housing Committee

1035 Folsom Street, San Francisco, CA 94103
Monday, October 4, 1999, 5:30 p.m.,

Members Present: Antoinetta Stadlman, Jim Berk, Marlies Hensel, Charles Range and Amtony Palmroth

Members Absent: Amy Bayley, Armando Bolaños, Dr. Mahendra Dave and Edwin Jocson

Guests: Lynn Hua, Craig Adelman, J.L. Wheelock and Chris Durazo

Agency Staff: Bill Carney

PAC Staff: Jerry Clark

Agenda Item 1. Asian Neighborhood Design (5:41 PM)

Asian Neighborhood Design has finished the priority process and has used two skewed overlapping maps for their priority list. The park will be delayed about a month until Commission hearing in about a month or two.

Mr. J.L. Wheelock enters the meeting (5:45)

Agenda Item 2. Emerald (5:46 PM)

No Report

Agenda Item 3. Delta Hotel (5:46 PM)

Clean up of property and securing of building in process. Normal construction clean up and walkthrough for safety fixes continuing. Real construction in a year or two dependent on who get a chance at the next tax cycle. **Ms. Stadlman** asked if there was anything the Housing Committee can do to push the Delta Hotel project up the list. **Mr. Wheelock** stated that we should take a wait and see attitude over the next two cycles to see where the tax credits will be allocated.

PAC Comment: **Ms. Hensel** asked what Mission Rock Shelter would get?

It was explained by **Mr. Berk** that Mission Rock is a shelter and was not a permanent housing facility; therefore there are no provisions for Mission Rock.

Agenda Item 4. TNDC Project at 8th and Howard (5:58 PM)

Updated documents available on the Web. Documents from that web site were handed out. Concepts of the 8th and Howard site were discussed. The in and out parking ramps show that the traffic will come in from Howard Street and out on Natoma Street. Unless the lowered parking structure is not done for some reason, cost, toxic removal, cost overruns, etc. this is the plan. The RA has approved the appropriations for the site. The small delay is a small blessing for TNDC because ownership of the property now would start the repayment schedule.

The SRO portion of the lot is through the NOFA and the family housing will be financed through the Mayor's Office on Housing. TNDC is expecting to close in the next few weeks.

A question was brought about the Mayor's willingness to finance the family portion of the project. What if the Mayor's office doesn't want to finance the construction of the 8th and Howard Site?

Mr. Carney said that a plan for the Mayor's office and RA for \$10,000,000 that would allow the Agency to own and lease back the property. A lease back. It was mentioned that just a few years ago, the RA stated that it didn't own property and wasn't a landlord. Things change don't they, stated **Mr. Berk**?

Agenda Item 5. 474 Natoma Street and 1007 Mission Street Project (6:13 PM)

All of the Agency efforts are being focused on the Eight and Howard Street sites, so the small delay for the RFP will be made up over the coming two weeks.

Agenda Item 6. 10% Affordable Housing Redevelopment Implementation (6:17 PM)

There may be a nexus in the Redevelopment Agency to support the 10% Affordable Amendment based on all the construction in the Project Area and the precedence for other RA areas. An EIR revision may have to be done to accept it as part of the Project Area Goals and Objectives.

Agenda Item 7. Department of Building Inspection and SRO Rehabs (6:25 PM)

No Action on this Item

Agenda Item 8. Report on Research on SRO Ordinance (6:26 PM)

Mr. Berk stated that the SRO Ordinance research for **Jeff Roth** was focused on how to limit SRO's on 6th Street and the South of Market. He wanted to have precedence court cases on conversions to hotels and laws that effected the conversion of SRO's. We are trying to save them, not find ways to lose them.

Agenda Item 9. Housing Strategies for Plan Amendment (6: 32 PM)

Combined with Item 10

Agenda Item 10. Goal and Objectives (6:32 PM)

Does the work PAC will and has covered in the Goals and Objectives remain in the EIR or does the EIR have to be changed. **Mr. Carney** stated that the Goals and Objectives along with the EIR would be the document used to focus on the needs of the Project Area.

A handout of projected projects by **Mr. Carney**, with timelines, was handed out for the years 1999-2004. A five-year plan. They contain much of the goals and objectives and projected projects as the EIR. The Goals and Objectives Plan will focus on the priorities. The projected plan will later have a third column for costs and tax credits along with the planned projects official start and finish deadlines.

Ms. Stadlman asked what the replacement for the SRO's are at now. **Mr. Carney** stated that the official number is 54 units but the PAC can add to that number if they wished.

The 6th Street Project that is now being discussed by the Agency and the PAC to finally focus on 6th Street to build and revitalize. Eminent Domain could be used to get the owners to sell, in about four months, if necessary. The first thing is to look at the whole Plan Amendment and we can then use some type of Eminent Domain, in whole or part. There is fair market value and there is a shark feeding. Once the people on 6th Street know you're going to buy up 4 building, the sky or the price in the sky is the limit. Once a decision is made, go in and take \$4,000,000, lock in at least 4 buildings and then take 1 building a year and either replace it or rehab it. If not, there is no other option that Eminent Domain, and that take forever, in court.

Mr. Wheelock says that a plan must be put in place to land bank property for future projects.

The shaded areas of the Goals and Objective are in the EIR. The light areas are not in the EIR. There should be a line to urge 10% Affordable Housing. Reworded or taken off, prohibiting office uses in the SOMA and live/work in the Project Area. Not artist/artisan affordable live/work space. Take out A3, Balanced and reword it to say, "In order to achieve a balanced neighborhood" and change it to say, "In order to achieve a mixed neighborhood". Zoning will be changed to produce mixed neighborhood to SLR. Also change B2I to have affordable residential, no live/work.

Quality of Life – Is there a budget for Item E? **Mr. Carney** stated that in no way would the Agency be responsible for a major part of any plan to pay for quality of life endeavors such at the Community Health Clinic or the Filipino-American Development Foundation or anything else. There is \$1,000,000 for the clinic in a line item and there is \$60,000 for this year

The next diagram for this project should have a money column. Lay out in detail with dates, timeline, etc. but also money lines.

Meeting Ended (7:27 PM)

Submitted by:

Jerry Clark
Assistant Administrator