



SOUTH OF MARKET PROJECT AREA COMMITTEE

1035 FOLSOM STREET SAN FRANCISCO, CA 94103
415.487.2166 Fax 415. 487.2169 website: <http://www.sompac.com>
Advisory Body to the San Francisco Redevelopment Agency

SPECIAL BUDGET COMMITTEE

Thursday February 22, 2007

6:00 PM

Presiding Chair (6:00 PM)

Chris Durazo

Chair's Report (6:00 PM)

Ms. Durazo announced that she received e-mail from **Mr. Grisso** clarifying the budget process. He explained that the budget would go before the Commission for a workshop at the end of March and then for approval sometime in April. **Ms. Durazo** would encourage members to review the budget carefully and determine what does and does not work. We need to own the process and be a part of it.

Roll Call (6:03 PM)

Present: Chris Durazo, Raymon Smith, Jason Ortega, Charles Range/SOM Health Center, Rudy Corpuz, Jr./United Playaz (/6:40 PM) Ingrid Aquino and Angelica Cabande/Bindlestiff Studios (/6:40 PM)

Absent:

PAC Staff: Marcia Ban and Karen Nolan

Agency Staff: Cathy Pickering

Guests: JD Tupuola, Rico Riemedio, Jonard Aragon, Mark Semena, Javon Victoria, Manuel Villalobos and Robin Corpuz

Review of Minutes (6:04 PM)

No previous minutes to review.

Agenda Order (6:05 PM)

It was agreed to add the Implementation Plan to the budget discussion.

Agenda Item 6. Review and Discussion of Draft SFRA Budget by Chris Durazo (6:06 PM)

Ms. Pickering announced that the Agency must submit a Financial Plan as a state requirement. The Agency would present the annual budget to the Commission for approval prior to June 30th. **Ms. Durazo** wanted to know if the budget figures change, would this cause changes to the Implementation Plan and is the Implementation Plan then adjusted to reflect the new numbers. **Ms. Pickering** explained that the Implementation Plan is estimated based on what we determine would be needed over the next five years. The year-to-year budget for the Agency and the PAC does not change the Implementation Plan.

Mr. Smith wanted to know what the criteria were that the Agency used to determine the figures for the budget. **Ms. Pickering** stated that they work with the Agency housing staff, economic development staff, and architects and engineers to determine the needs for the area. **Mr. Smith** wanted to know how they determine those needs. **Ms. Pickering** stated that they determine the needs through discussions with these staff members and the community. **Mr. Smith** stated that this is the first time he has heard the term “community” used in this process. **Ms. Pickering** stated that this PAC is new to the process, but it has been going on since 1990.

Mr. Smith stated that this Implementation Plan was developed in 2004. He wanted to know if there were mechanisms in place for the Agency to go back and reassess the needs. **Ms. Pickering** stated that the needs are assessed during the budget process. **Mr. Smith** wanted to know if we were discussing the Agency needs or both the Agency and SOMPAC needs. **Ms. Pickering** stated that they absolutely consider the SOMPAC needs. She stated that the budget was handed out at the January PAC meeting and **Mr. Grisso** requested input from members. SOMPAC is in place to advise us and we’re very interested in your recommendations

Ms. Durazo stated that the PAC is charged with reviewing the budget and seeing to the implementation of the Plan Amendment. The PAC is looking at the feasibility of this and how decisions are made. **Ms. Pickering** stated that the Agency is interested in the PAC’s advice. **Mr. Durazo** stated that perhaps we need a clearer budget to coincide with the budget in the Implementation Plan.

Ms. Aquino referred to the Implementation budget and stated that this budget shows the PAC budget increasing over the years, yet the budget for this year shows quite a bit less. **Ms. Pickering** stated that the Implementation Plan budget is a draft for what the needs would be. The Mid Market and Bayview PAC’s receive a lot less funding. **Ms. Pickering** stated that the PAC office is run very smoothly and has saved a great deal of money for the Agency over the years. The PAC is funded this year at \$200,000 per the executive staff of the Agency. They are being fiscally prudent and **Ms. Pickering** reminded everyone that the rent for the PAC office is a separate line item paid directly to Mercy Housing. There was a discussion of PAC funding over the years and **Ms. Pickering** stated that she is not prepared tonight, but could put together a spreadsheet of actual PAC costs over the last few years.

Mr. Smith referred to the \$1 million in the budget for alley improvements. He stated that it is a hardship for others in the remaining alleys to say they must wait 12 years before their alleys would be completed. **Mr. Smith** stated that there should be a three-year program in place to complete all of the alleys in the Project Area. He stated that security and pedestrian safety are the number one concerns of the community and we should be working towards these goals.

Mr. Range referred to the SOMA Stabilization Fund with regard to public improvements and wanted to know if these funds could be utilized. **Ms. Durazo** stated that the SOMA Stabilization Fund has not developed a strategic plan yet. She stated that this could be a possibility for the future. **Mr. Range** referred to the \$1 million for streetscape improvements and stated that it is good to have this as a separate line item because if the program is successful, we could request more funding in the future.

Mr. Smith stated that there is concern over taking three years to complete three alleys. This would cause divisiveness from the other alleys that would not be completed for 12 years. **Mr. Range** questioned if **Mr. Smith** were stating that we should just call this a line item for alley improvements and let the community decide which alleys should be completed first. **Mr. Smith** stated that the community must make the decision on what they want for the community instead of having decisions shoved down our throats by the Agency. This is money that the community needs to decide how it is spent.

Mr. Range stated that he would like to see the line item for streetscape improvements in the alleys but not identify the alleys. He sees this as a positive to have funds for the alley improvements and a community forum should be held to determine what alleys should be done first. **Mr. Smith** stated that he agrees with **Mr. Range** but believes this line item should have \$3 million, not just \$1 million. **Ms. Durazo** commented that if there is not enough revenue for the higher amount we could possibly seek funds from other sources. **Mr. Smith** stated that we know there are funds for the SRO rehabilitation loan program that are not being used. We should move these funds to the streetscape improvement project.

Ms. Aquino reminded everyone that **Mr. Grisso** had stated that the American Institute of Architects would sponsor the architectural services. **Ms. Pickering** stated that this would be a joint project between the Agency and DPW and that the AIA would like to sponsor the design and the remaining \$400,000 from the street improvement program would be used too. **Mr. Range** stated that we could increase the amount if we used the remaining funds from the basement improvement project and any funds not used for the SRO rehabilitations. **Ms. Pickering** stated that the SRO rehabilitation program is still active so the Agency would not move the monies at this time.

Mr. Smith referred to left over funds from the 6th Street sidewalk improvement project and wanted to know if they are going to do anything about the disappearing trees and trash cans. He referred to the sidewalks and wanted to know if it is our obligation to clean them or **MJM's** obligation. **Ms. Pickering** stated that **MJM** has been allocated \$150,000 to clean the sidewalks. **Mr. Smith** stated that **Mr. Grisso** tells us to call anytime we see a problem and he has called many times, but feels he should not have to spend his life checking to see whether or not someone is doing his or her job.

Ms. Cabande referred to item 19 on the implementation budget and wanted to know what this was for. **Ms. Pickering** stated that she was not prepared to discuss line items from the implementation Plan. She thought we were here to review this year's budget only. **Ms. Durazo** stated that the budget was explained to the public and she requested input from the community. **Ms. Cabande** referred to the line item for housing production and wanted to know why there were no funds for this. **Ms. Pickering** stated that there was \$15 million in older funds for affordable homeownership housing at the 474 Natoma Street site and there is prior money for Westbrook Plaza, the SRO rehabilitation program and acquisition funds.

Ms. Cabande stated that she would like to see more housing opportunities for young adults from the community. She stated that she is not sure all young adults want to buy a home, but they do not qualify for most of the affordable housing being built. **Mr. Range** stated that if we are asking to increase a line item, we should find out from **Mr. Grisso** how he determined the figures. We must have a rationale for the funding amounts. The

housing portion of the budget should be discussed at the Housing Committee. **Ms. Cabande** stated that she understands this, but we should work on changing it.

Mr. Corpuz wanted to know if we could add a line item for a youth center. He stated that a youth center has been requested for a long time. **Ms. Cabande** wanted to know if the park line item is for the Recreation & Parks Department. If so, she would like to know if these funds could be used for sustainability and infrastructure. **Ms. Durazo** stated that we do need upgraded restrooms at the Gene Friend Recreation Center but this could be a jurisdiction issue. **Mr. Smith** stated that there are two outdoor basketball courts at Gene Friend and the new park. He would like to see one made into a tennis court or lawn bowling court.

Mr. Corpuz stated that he brought the youth to this meeting tonight to help them understand the process of redevelopment and where the funding goes. **Mr. Range** explained that it takes a long time to realize a capital project. It begins with a needs assessment and planning. He would suggest that instead of asking for a youth center, you should ask for a line item for a needs assessment and predevelopment planning. **Mr. Range** reminded everyone that West Bay previously received \$80,000 to complete a needs assessment for a youth center and we all know what happened there. He stated that it is good to educate the youth to work on a needs assessment and attend meetings.

Ms. Cabande stated that SOMCAN and SOYAC have done so many needs assessments going back to the 1990's. She stated that we need funding for predevelopment and the purchase of a building for the youth center. **Ms. Cabande** stated that we know the process. The youth are here to state that we need to take action now.

Mr. Corpuz stated that there are so many processes and requirements, but there is a lot of violence happening now and we have exhausted all of the talks of a youth center. He stated that we must act on this now and get a center. **Mr. Smith** requested that **Mr. Corpuz** bring all of his documentation and needs assessments to SOMPAC to see if they could assist him in moving this process along. **Mr. Range** stated that he would agree with **Mr. Smith**. He stated that historically the SOMPAC has supported a youth center. He referred to the funds given to West Bay and stated that it hurt the credibility and now we must start the process over. There must be an organization to present a plan that the PAC could support and request Agency funding for. **Mr. Range** referred to prior needs assessments and stated that they must be revised, modified and updated. He referred to previous budgets where there was funding for the Indian Cultural Center and a youth center. **Mr. Range** reminded everyone that the Agency previously funded the activities of S-O-S and we should be able to fund youth activities in the Project Area.

Ms. Pickering stated that there are old funds available that were for the purchase of the Hugo Hotel. **Ms. Cabande** stated that she would like to see a budget that reflects both the old and new funds so that we know exactly what we have. **Ms. Durazo** stated that she would like to see the carryover funds so we have a full understanding of the budget. **Mr. Smith** referred to funding for committees and stated that if a committee were to have a community forum, are there funds available for this. **Ms. Durazo** stated that funding for community forums is a good idea and the funds could be used for rental fees, staff time, outreach, etc.

Mr. Smith recommended that the budget committee meet again next week. **Ms. Durazo** agreed and stated that we have a lot of questions for **Mr. Grisso**. **Mr. Smith** suggested that we meet one week after the General PAC meeting on the 26th. **Ms. Pickering** stated that she would strongly suggest before members schedule the next budget meeting they should speak to **Mr. Grisso** to see when he is available. **Ms. Durazo** stated that she has many PAC members to coordinate dates with and her first priority as the PAC chair is to the PAC members. She stated that she would propose a date at the full PAC meeting but she is looking at Tuesday or Wednesday, March 6th or 7th at either 6:00 PM or 12:00 noon.

Public Comment (7:20 PM)

Meeting Ends (7:20 PM)

**Chris Durazo
Chair**