



**SOUTH OF MARKET PROJECT AREA COMMITTEE**  
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*Advisory Body to the San Francisco Redevelopment Agency*

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**SPECIAL BUDGET COMMITTEE**  
**Wednesday March 28, 2007**  
**12:00 Noon**

**Presiding Chair (6:06 PM)**

Chris Durazo

**Chair's Report (6:06 PM)**

**Ms. Durazo** welcomed everyone to the Special Budget Committee.

**Roll Call (6:07 PM)**

Present: Chris Durazo, Ingrid Aquino (6:06 PM) and Raymon Smith (6:04 PM)

Absent: Angelica Cabande/Bindlestiff Studios, Jason Ortega and Charles Range/SOM Health Center

PAC Staff: Marcia Ban and Karen Nolan

Agency Staff: Mike Grisso and Cathy Pickering

Guests: Misha Olivas

**Review of Minutes (6:08 PM)**

Minutes were reviewed.

**Agenda Order (6:09 PM)**

It was agreed to follow the agenda as is.

**Announcement of next Special Budget Committee meeting**

After a brief discussion, members agreed to meet on Wednesday, April 11<sup>th</sup> at 2:00 PM.

**Agenda Item 6. Review and Discussion of 2007-2008 SFRA Draft Budget by Chris Durazo (6:11 PM)**

**Ms. Durazo** referred to the draft SFRA budget for the next fiscal year and asked for any questions or concerns from members. **Mr. Smith** requested information on items that are already locked in for the next fiscal year's budget.

**Mr. Grisso** stated that nothing in the budget is locked in until it is approved by the Commission and Board of Supervisors, with the exception of the principal and interest on the tax allocation bonds. He stated that the budget could be changed, but there are several items that we shouldn't change. **Mr. Grisso** referred to the funds for the 6<sup>th</sup> Street façade program, funding for the health center and SOMPAC as well as the tree

maintenance and marketing funds for Urban Solutions. He pointed out that these have been discussed by the PAC and previously approved.

**Mr. Grisso** announced that a workshop has been scheduled at the Commission on April 17<sup>th</sup> and he hopes that any questions and concerns could be addressed before then. **Ms. Aquino** referred to a youth center and wanted to know if a program sponsor were found, could we add a line item for this into the budget this year. **Ms. Durazo** stated that she is a part of a coalition of youth providers working on this and she would turn the chair over to **Mr. Smith** and discuss this later in the meeting.

**Mr. Smith** referred to the tax increment funds for debt service and wanted to know if this is a definite figure. **Mr. Grisso** responded that these funds are revenue, not expenditure. **Mr. Smith** referred to the tree maintenance and 6<sup>th</sup> Street façade improvement program and wanted to know if these funds have been committed and if we could have an update at the next Economics Committee meeting. **Mr. Grisso** explained that the funds for these two projects are already in the budget. He referred to the last PAC meeting and stated that we did not add funds to the program. The PAC only voted on changes to the existing program. **Mr. Smith** referred to the SRO Hotel loan program and wanted to know if this would be funded. **Mr. Grisso** explained that it is not reflected on this budget as there are no new funds for the project. It is funded from a previous year. Currently there is \$1.2 million sitting in the bank and we are looking to close the program out over the next year for lack of interest by the hotel owners. **Mr. Smith** wanted to know if we could show a need for the SRO loan program would additional funds be added to the budget this year or next year. **Mr. Grisso** stated that funds would be added this year, but pointed out that the current funds are not being used.

**Ms. Durazo** referred to the marketing funds for 6<sup>th</sup> Street and wanted to know what this includes. **Mr. Grisso** responded that the marketing funds include listings on realtor websites and creating a color brochure for marketing of 6<sup>th</sup> Street. He pointed out that businesses outside of 6<sup>th</sup> Street are not aware that 6<sup>th</sup> Street is getting better and that the Agency is offering money for businesses to move here. The CB Richard Ellis Real Estate firm has produced the color brochure and the first draft is ready. **Ms. Durazo** wanted to know if we have brochures at the PAC office. **Ms. Ban** stated that we do not. **Mr. Grisso** stated that he would provide brochures for the PAC office and members to review.

**Ms. Durazo** referred to previous discussions regarding window boxes and hanging planters on 6<sup>th</sup> Street and wanted to know if these were feasible this year. **Mr. Grisso** stated that this is a great idea. Hanging baskets on the street lights would not cost too much and it would add to the public improvements. **Mr. Grisso** stated that he would research the cost of hanging baskets and bring it back to the PAC.

**Mr. Smith** wanted to know if we could add funds to the budget for raised crosswalks on 6<sup>th</sup> Street. **Mr. Grisso** stated that raised crosswalks are a part of the alley streetscape project. **Mr. Smith** stated that he would like to see raised crosswalks on 6<sup>th</sup> Street at Mission, Howard and Folsom Streets to slow the traffic down. **Mr. Grisso** stated that he has not discussed these intersections with DPW. These raised sidewalks are the same as speed bumps and when he spoke to DPT about this, they said it was not possible as their goal is to keep traffic moving on 6<sup>th</sup> Street. **Mr. Grisso** stated that he would be happy to invite DPT to a meeting to discuss this idea. The problem with this is that the cars would be moving too fast and the goal of DPT is to keep the traffic flowing. **Mr.**

**Smith** wanted to know what DPT would commit to with regard to pedestrian safety. **Mr. Grisso** stated that the alley improvements would be the main thing to address pedestrian safety. He would be happy to invite DPT to a meeting to discuss this, but he is not sure if they could attend next week. **Ms. Durazo** referred to the Western SOMA Citizen's Planning Task Force and the transportation review that they are conducting for all of SOMA. She stated that it might be possible, and beneficial to have a joint meeting with the Transportation Committee of the Task Force.

**Ms. Olivas** requested information on the alley improvements. **Mr. Grisso** stated that the idea is to slow the cars and make the alleys more comfortable for pedestrians. They would be widening and repaving the sidewalks, adding lights, trees and landscaping such as patches of grass, etc. There is also the opportunity for public art such as tile work, stone benches, etc. The raised sidewalks will be at the intersections of the alleys with the idea that it would slow cars down from screeching around the corner onto the alleys and pulling out of the alleys too fast. **Mr. Grisso** stated that the first step is to approve a letter agreement with DPW. The letter agreement is paid through existing South of Market funds. Next we will receive the scope of work from DPW and endorse that in order to begin the work. **Ms. Olivas** wanted to know if there could be raised crosswalks at the intersections in the alleys such as Minna and Russ Street. **Mr. Grisso** stated that this is possible. He would bring the scope of work from DPW to the Economics Committee for review and input from members.

**Ms. Aquino** referred back to the youth center and wanted to know if we could try to put a line item for this on this year's budget if we have a sponsor. **Ms. Durazo** turned the chair of the meeting over to **Mr. Smith** in order to participate in this discussion.

**Ms. Durazo** announced that SOMCAN is the sponsor for the Youth Task Force. This task force designated **Ms. Olivas** to chair the Youth Center Committee. **Ms. Olivas** stated that she has represented United Playaz since 1992. **Mr. Corpuz** is the Executive Director and was born and raised in the South of Market. When the Canon Kip Youth Center located on 8<sup>th</sup> Street closed, the community was promised a new center. They built the Gene Friend Recreation Center instead and it is not the same thing as a youth center. **Ms. Olivas** stated that she would like to give a presentation to the PAC with regard to where the committee is at this time regarding a youth center. She stated that they have received \$50,000 from MOCD for a feasibility study. They have reviewed programs throughout the city to help determine what they would like to see building wise and for their programming. They have hired **Ada Chan** as a consultant and hope to have a packet with all of the information by July 1<sup>st</sup>, 2007.

**Ms. Aquino** wondered about the sponsor to run the youth center. **Ms. Olivas** explained that the youth service providers in SOMA are coming together and meeting with regard to a youth center. This is something that has not happened in the past. They are meeting with organizations such as the YMCA and all of the childcare centers. The vision is to be a hub as a family service center. **Mr. Grisso** wanted to know if the plan has a timeframe of when they would like to open. **Ms. Olivas** stated that realistically they would like to open within three to five years.

**Ms. Durazo** stated that it was the youth that came to the Youth Task Force with the request for a youth center. She stated that they are receiving assistance from **Tom Lauderbach** with the financial work, program designs, etc. **Ms. Durazo** would like to see funds in the budget for predevelopment of the youth center. **Ms. Pickering** asked about

the \$50,000 received from MOCD. **Ms. Olivas** explained that this is for the feasibility study that is to be completed by June 30<sup>th</sup>. She stated that they are meeting with an architect regarding the square footage needs. **Mr. Grisso** asked what they wanted. **Ms. Durazo** stated that they are looking for predevelopment costs (engineering, architect, etc.). She stated that the Redevelopment Agency is an important commitment to show potential funders.

**Mr. Grisso** stated that funding for predevelopment is a great idea. He does not see this happening this year, as the feasibility study is not complete and you must have a group to sponsor the project that is a nonprofit in order to handle the money and manage the project. **Mr. Grisso** stated that it is important to have a site chosen because it is difficult for an architect to draw up plans not knowing the size of the site. Predevelopment could run anywhere between \$200,000 and \$300,000. The key would be who the sponsor is. This is who the Agency would have a contract with. **Mr. Grisso** stated that it is a stretch to have all of this done in time for this year's budget. **Ms. Durazo** stated that they would bring this information back to the group. She wanted to know if they were ready to identify a sponsor and a site, and the feasibility study was complete, would the Agency be willing to consider predevelopment funds this year. **Mr. Grisso** stated that the sponsor must be an existing organization and the feasibility study must be complete. He stated that it is hard to imagine all of this happening in time for the budget process this year. He reminded everyone that you must have identified a site with control of that site, by either buying it or having a deal with the seller to buy it.

**Mr. Grisso** stated that the budget must be approved by the Commission before June and then approved by the Board of Supervisors in June to be ready by July 1<sup>st</sup>. It seems that we would be rushing things to try and get everything done in time for this year's budget. **Mr. Grisso** stated that once all of the elements are in place, Agency staff would be willing to support the project. At this time he is willing to offer casual advice, review of any documents, etc. **Ms. Olivas** wanted to know if the site must be in the Project Area. **Mr. Grisso** stated that it would if the Agency were to help fund the project. The rule states that if it is built outside the Project Area, it must provide a direct benefit to the Project Area. It would be hard to make a case if someone were to challenge it.

**Ms. Aquino** stated that there are two parking lots on Howard Street between 5<sup>th</sup> and 6<sup>th</sup> Streets. She wondered if they might be considered for purchase for a youth center. **Mr. Grisso** stated that they are privately owned parking lots. If you wanted to buy a private parking lot you would have to have a developer as a partner to justify the cost of the lot by providing housing above the youth center.

**Mr. Grisso** reminded everyone that anything you want to do would require a cost analysis prior to the Commission workshop on April 17<sup>th</sup>. He would need any budget change requests by our next meeting on April 11<sup>th</sup> or we might not have time to change the budget. **Ms. Durazo** referred to security personnel and wondered if we could put funds in the budget for this like what is done in Yerba Buena. **Ms. Pickering** stated that the security personnel in Yerba Buena are paid for by the land lease with the Marriot, not tax increment funds. **Ms. Durazo** stated that she would contact all of the chairs with regard to any budget change requests. **Mr. Grisso** stated that he would need the information by next week in order to include it in packets to the Commission for the workshop.

#### **Public Comment (7:15 PM)**

**Meeting Ends (7:15 PM)**

**Chris Durazo  
Chair**