

HUNTERS POINT SHIPYARD:
A SHIFTING LANDSCAPE



CIVIL GRAND JURY
CITY AND COUNTY OF SAN FRANCISCO
2010-2011

THE CIVIL GRAND JURY

The Civil Grand Jury is a government oversight panel of volunteers who serve for one year. It makes findings and recommendations resulting from its investigations.

Reports of the Civil Grand Jury do not identify individuals by name.
Disclosure of Information about individuals interviewed by the jury is prohibited.
California Penal Code, section 929

STATE LAW REQUIREMENT

California Penal Code, section 933.05

Each published report includes a list of those public entities that are required to respond to the Presiding Judge of the Superior Court within 60 to 90 days as specified. A copy must be sent to the Board of Supervisors. All responses are made available to the public.

For each finding the response must:

- 1) agree with the finding, or
- 2) disagree with it, wholly or partially, and explain why.

As to each recommendation the responding party must report that:

- 1) the recommendation has been implemented, with a summary explanation; or
- 2) the recommendation has not been implemented but will be within a set timeframe as provided: or
- 3) the recommendation requires further analysis. The officer or agency head must define what additional study is needed. The Grand Jury expects a progress report within six months; or
- 4) the recommendation will not be implemented because it is not warranted or reasonable, with an explanation.

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HUNTERS POINT SHIPYARD : A SHIFTING LANDSCAPE

“The development of the Hunter’s Point Shipyard ... is one of the most important development projects in the city's history... to transform the blighted shipyard and bring new housing, parks and thousands of jobs to the southeast community.”¹

Mayor Gavin Newsom

January 2011

SUMMARY

The 2010-2011 San Francisco County’s Civil Grand Jury (Jury) reviewed the Hunters Point Shipyard Redevelopment Project in an attempt to better understand how the City’s role has changed since the last Grand Jury’s investigation in 2001-2002.

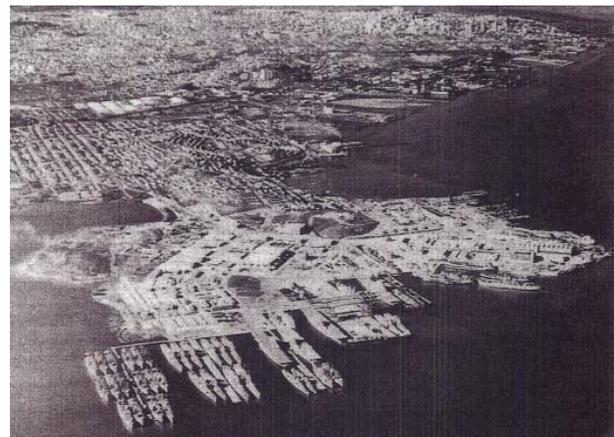
The results of this inquiry lead the Jury to conclude that the Hunter’s Point Shipyard redevelopment project will require

more communication,
more transparency, and
more commitment

from the City in order to achieve its goals of providing housing, jobs and economic development, tax revenue and open spaces to San Francisco, and its residents, particularly those residing in the surrounding neighborhoods.



Dry Dock, circa 1947



Naval Shipyard, circa 1951

BACKGROUND

A short history of the Hunter's Point Shipyard (HPS) helps highlight areas researched by the Jury, the origin of its hazardous conditions, the history and future promise of employment, and the optimistic plans for the City's new neighborhood.

The 500-acre HPS is located in the Southeast section of San Francisco on a peninsula that extends east into the Bay. From 1867 to December 1939, the facility was operated as a commercial dry dock facility. On December 16, 1941 just nine days after the attack on Pearl Harbor, the Navy purchased the property as part of the war effort.

From 1945 until 1974, the Navy predominantly used the shipyard to construct, maintain, and repair ships. The base was also home TO the Naval Radiological Defense Laboratory. The laboratory's activities included radiological decontamination of ships exposed to atomic weapons testing. The laboratory also conducted research and experiments on radiological decontamination, the effects of radiation on living organisms, and materials.

At the height of its active operations, HPS employed over 17,000 people, many of whom were from the Bay View Hunters Point (BVHP) area. In 1974, the Navy ceased shipyard operations at HPS, designating the site as industrial reserve. From May 1976 to June 1986, Triple A Machine Shop, Inc. leased most of HPS from the Navy and used it as a commercial ship repair facility. Over the years, parts of the site have been leased to an artists' community.

To organize the environmental investigation and cleanup activities, the Navy divided the shipyard into seven parcels, A through G. (see Appendix A) On December 3, 2004, the Navy transferred the first 75-acres of HPS (Parcel A) to the San Francisco Redevelopment Agency (SFRA.) Consequently, it is no longer Navy property.²

Since then, much grading and other construction work has been done by the developer, Lennar, to prepare the site for vertical development. The project plan envisions Parcel A being used for residential housing, community parks and commercial venues.

THE HUNTERS POINT PROMISE

Originally adopted in 1997 and amended in 2010, the HPS redevelopment project aspires to transform the former shipyard and the adjacent Candlestick Point into a vibrant and green community. When the entire project is completed in 2031, the community will cover an area of

935 acres and consist of:

- 12,500 housing units, 25% of which are to be affordable to low-income families
- Over 300 acres of parks and open space,
- Approximately 800,000 square feet of regional and neighborhood-serving retail space and,
- Approximately 3 million square feet of “clean” technology research and development space.

The construction of this large new community is expected to create thousands of temporary jobs and ultimately over 10,000 permanent jobs for the people of San Francisco and in particular the residents of the Bayview Hunters Point neighborhoods. In addition Lennar, the prime developer of HPS redevelopment project, has committed to providing various other benefits to the residents of BVHP, including the rebuilding of the Alice Griffith public housing project. Finally, the new community will eventually generate substantial tax revenue for the City of San Francisco.³

THE PLAN’S ENVIRONMENTAL HAZARDS

In a September 2007 report, the California Department of Public Health recommended the San Francisco Department of Public Health (SFDPH) assign an individual to monitor the HPS project.⁴ SFDPH has complied with this recommendation. Lennar is reimbursing the SFDPH for the cost of maintaining a monitor at the HPS site.

During our interview with the SFDPH monitor, we related what we learned from conversations with environmental groups, reviewing Environmental Impact Reports, and voluminous naval documentation all of which supported the position that “shipyard tenants, the surrounding communities ... are not at risk from previous radiological activities at HPS.”⁵

The health official agreed and stated, “there is no evidence that the really bad stuff is here. It's in the Farallones.” The official was referring to the approximately 47,800 55-gallon drums that the Navy dumped in the Pacific Ocean, 27 miles West of San Francisco between 1946 to 1970, near the Gulf of the Farallones National Marine Sanctuary.⁶

However, this assessment seems at odds with SFDPH Health Director Mitch Katz’s published report, “Health Programs in Bayview Hunters Point and Recommendations for Improving the Health of Bayview Hunter’s Point Residents.” In his report Mr. Katz noted that the HPS “was placed on the federal government’s National Priorities List as one of the nation’s worst toxic sites and parts of the shipyard remain contaminated and unusable because of chemical pollution, radioactive waste, and neglect.”⁷

To help alleviate confusion among the general public over the degree of environmental risk associated with the HPS project, in 2007 the California Department of Public Health recommended that the SFDPH promptly report any violations of environmental regulations.

In its response to the State's recommendation, the SFDPH stated:

“We agree with the need for more timely public communication. SFDPH has created a website ... that includes: frequently asked questions; resources and referral information; the dust control plan; and Notices of Violation. Future plans are to update the status of development activities on a weekly or monthly basis. The SFDPH Hunter's Point website is accessible at: www.sfdph.org/dph/EH/HuntersPoint/default.asp”

Despite these assurances, when the Jury reviewed SFDPH's Hunter's Point Redevelopment website [www.sfdph.org/dph/EH/HuntersPoint/default.asp] in April 2011 it found that the website was last updated in 2009.

Shortly after we reviewed the website, it appears SFDPH uploaded: “Hunter's Point Re-analysis of Air monitoring Filters for Asbestos (2010).” Based on the properties of the document, it was modified on 4/15/11. So the last two documents uploaded were updates from outside agencies.

Adding to the confusion over the exact degree of environmental risk at the project site, the U.S. Environmental Protection Agency and the San Francisco Department of Public Health, in response to a series of e-mails recently released by Bayview neighborhood activists, both launched investigations into the relationship between their departments and Lennar.

The exchange of e-mails, which occurred between 2006 and 2009, purportedly show officials requesting assistance from Lennar and a consultant employed by Lennar in formulating public policy toward health risks associated with the HPS redevelopment project.⁸

The emails revealed officials instructing their colleagues to stop collecting additional data on worker exposure to asbestos, as the new data might not support the department's official position that asbestos does not constitute a health risk to workers at HPS. Another email from a senior Department of Public Health official to Lennar states, “I'm sure you will also want to change my wording on how I portray the problems, lack of monitors, etc.”

Finally, an e-mail from an official at the U.S. Environmental Protection Agency (USEPA) addressed to a consultant employed by Lennar invites input to bolster the USEPA's risk assessment of dust generated from the developer's grading operation at HPS.⁹

PARCEL E-2 -- TO CAP OR REMOVE

There are mixed opinions on what should be done with the 47.4 acre former Navy dump site designated Parcel E-2. Until the Obama Administration, the Federal government has been non-committal about its assessment of the site. But due to a number of factors, including a change in EPA leadership and pressure from governmental officials and local agencies, the Navy is now re-evaluating sites requiring further cleanup. As a result, in April 2010 the Navy drafted a 5,000 page addendum to their original assessment of Parcel E-2 detailing the various contaminants found, including Uranium, Cesium, Cobalt, Strontium, Radium, Plutonium, etc.¹⁰

The Navy is preparing a Final Feasibility Study to review the various options available for cleaning up Parcel E-2. The study will be made available to the public for comment. In arriving at a decision, the Navy is required to take into account the nine criteria mandated by the Comprehensive Environmental Response Compensation and Liability Act (CERCLA).¹¹ One of the criteria is community acceptance.

Options for E-2 include:

- Institutional Controls
 - Administrative and legal controls that restrict access to the site
- Fencing and Warning signs
 - Very low cost
 - Only effective if accompanied by very severe use restrictions
- Capping
 - Soil cap or asphalt and concrete cap are low cost
 - May result in exposing workers on the site to radio-toxicity
- Removal and Disposal
 - The most effective and expensive method.
 - Waste is trucked in water-tight steel bins and shipped to disposal sites in Utah and Idaho that are licensed to accept radiological waste. More than 9,400 truckloads have already been shipped. Residents and workers may be exposed to diesel truck fumes as diesel trucks load and haul the waste through the neighborhood. In 2002, the EPA classified diesel fumes as a probable carcinogen.¹²

In reaching its decision, the Navy will take into account the cost associated with each option. For example, the difference in cost between capping and excavating Parcel E-2 is estimated to be in the range of \$300 - \$700 million.

While admittedly less costly and time consuming than soil removal, the capping process does have its drawbacks as a method for cleaning up Parcel E-2. For example, in August 2000, a surface brush fire of unknown origin occurred on the Parcel E-2 landfill. Even after the brush fire was extinguished, a subsurface landfill fire continued to smolder for many weeks. In order to fully extinguish the subsurface fire, the Navy capped the landfill. The landfill cap was completed in early 2001. In August 2002, the Navy determined that landfill gas had migrated offsite and was found under an adjacent property. The Navy conducted an emergency removal action to address this landfill gas.¹³

At the same time, SFDPH, City Officials, and some environmental groups have voiced concern that physically removing the contaminated soil could prove more damaging to the environmental health of the community than burying the dump site. A similar process undertaken at parcels B, G, and D-2 took a decade to complete. It is felt that work on Parcel E-2 could also take a considerable amount of time to complete.

With the exception of Parcel A that was transferred by the Navy to the SFRA in 2004, the City has no legal control over the remaining HPS property. Consequently, in a technical sense, the City has no authority over matters dealing with deadlines and deliverables for environmental cleanup, and no formal right to disagree or dispute the Navy's actions.

But in the event that the City disagrees with all or parts of the Navy's report, it does in fact have an option. The City, through its chosen developer, Lennar, can refuse to accept the transfer of any parcel if the environmental cleanup does not meet, "the standards set by the City of San Francisco, State of California and the U.S. Environmental Protection Agency."¹⁴

Moreover, the City does in fact have some standing in these deliberations via the 2004 Conveyance Agreement which "is a framework that establishes the criteria, including environmental conditions, under which the City will accept property proposed for transfer by the Navy."¹⁵ The agreement stipulates that the Navy will work collaboratively with SFRA and share information about their cleanup work.

For its part, the SFDPH has not taken a public position on what the Navy should do with respect to Parcel E-2. Its current policy is apparently to await the Navy's recommendation and the reasoning behind it. The SFDPH will then seek input from the public on the Navy's plan. Only then will it make public its own position on Parcel E-2.

THE MANTRA OF JOBS, JOBS, JOBS

A 2001-2002 Jury Report recommended that a Memorandum of Agreement between the Navy and the City be amended to include specific language for the hiring and training of BVHP residents for jobs created during the clean-up and development phases of HPS redevelopment project. In 2002, Leamon Abrams, Director of the Office of Economic & Workforce Development, stated that his office viewed community access to jobs, job training, educational opportunities and other opportunities for economic development as a critical component of the redevelopment of HPS.¹⁶

Jobs were central to the City’s pitch to sell the project to the public. Forecasts on job creation put forward by the city, community members, and the developer were based upon estimates for the potential uses of HPS. Jobs from preparing the land for development, jobs for developing the land vertically, jobs from the new businesses and jobs from infrastructure such as parks, schools, and roads were all factored in to reach a total number of potential employment opportunities.

City agencies and officials have given varying estimates on the number of jobs that will be created by the Hunter’s Point redevelopment project.

CITY AGENCY/OFFICIAL	NUMBER OF JOBS
Office of the Controller	11,000 to 12,000 direct permanent employment opportunities in numerous industries and occupations, from entry-level to advanced. ¹⁵
Office of Economic and Workforce Development (OEWD)	10,000 permanent jobs over the next 10-15 years. Some of these would be low-entry jobs such as grounds keepers, food service, maintenance, delivery, facility management while other jobs would go to teachers, advisors, engineers, managers, administrators and professors.
Mayor Newsom	The Hunter’s Point redevelopment project “...will help bring economic vitality to this neglected corner of the city – including thousands of construction jobs and 8,000 PERMANENT JOBS following completion of the project with a priority for neighborhood residents.” ¹⁶

In 2008, San Francisco voters added their voice by approving Proposition G that called for the, “... timely development of a mixed-use project in ... Candlestick Point and Hunter’s Point Shipyard.”¹⁷

In order to win public support for Proposition G, Senator Dianne Feinstein, Mayor Gavin Newsom, and Supervisor Sophie Maxwell argued as proponent’s in favor of Proposition G that, “...Proposition G will help bring economic vitality to this neglected corner of the city – including thousands of construction jobs and 8,000 PERMANENT JOBS following completion of the project with a priority for neighborhood residents.”¹⁸

In August of 2010, the Hunters’ Point Redevelopment Plan was amended and now includes a provision that the project should create a range of job and economic development opportunities for local economically disadvantaged individuals and business enterprises, particularly for residents and businesses located in the BVHP.¹⁹

In 2007, the SFRA introduced a workforce policy. The policy requires “...each Employer to use its good faith efforts to employ 50% of its permanent temporary workforce from qualified BVHP Residents and then San Francisco Residents with First Consideration to BVHP Residents.”²⁰

However, this policy seems to have been largely ignored by contractors. According to union representatives very familiar with the city's construction sites, these local hiring goals are meaningless. A union representative said,

“We started pushing for local hiring and the mistake we made was to use the word 'goal.' I used to hit 25 to 30 jobs [sites] a week and I've never saw anything close to even 15 percent, let alone 50 percent.”

During our meeting with the City last year, the Jury confirmed its own concern that under current rules a contractor is not under any firm requirement to hire local but needs only to make a good faith effort.

With input from the Office of Economic and Workforce Development and the City Attorney, on December 7, 2010 the Board of Supervisors voted to approve local hire legislation for city-funded construction projects.²¹ The new ordinance came into affect March 25, 2011 with stricter requirements and mandates. [see for copy <http://bit.ly/LOCAL-SF> of ordinance] It is the responsibility of the Office of Labor Standards Enforcement to monitor compliance with the new local hiring ordinance.

HPS ON A TIGHT ROPE - REDEVELOPMENT FUNDS CUT?

In January 2011, Governor Brown announced his intention to cut funding to redevelopment agencies in the next fiscal year.²² Under the governor's proposal, the state would confiscate unclaimed redevelopment funds and reallocate the money to other purposes. The development of the HPS site stems from several agreements between the SFRA, the Federal Government, and Lennar. The Conveyance Agreement was made between the Navy and SFRA so they are irrevocably tied together.

City personnel, who are overseeing the HPS project, have no idea how they will fare in light of the possible elimination of the SFRA. The governor's proposal allows for some funds to be set aside to help complete existing projects, tie up loose ends and cover debt.²³ Yet, the proposal does not spell out which pre-existing projects would be allowed to keep their funding and which would not.

"I don't know as of this second what it means for Hunters Point ... where construction has not begun," said Executive Director Gabriel Metcalf of the San Francisco Planning and Urban Research Association, a local think tank. "That's my fear."²⁴

The recent release of Mayor Edwin Lee's Proposed Budget for FY11/12 stated: "the [Redevelopment] Agency continues to face significant uncertainty resulting from State budget deliberations. Several proposals are under discussion by the Governor and Legislature that could impact the Agency's funding...it remains unclear whether the Agency will continue to be able to operate as set forth under State laws of Redevelopment."²⁵

CONCLUSION

The Civil Grand Jury concludes that the Hunter's Point Shipyard redevelopment project will require more communication, more transparency, and more commitment from the City in order to achieve its goals of providing housing, jobs and economic development, tax revenue and open spaces to San Francisco, and its residents, particularly those residing in the surrounding neighborhoods.

FINDINGS

1. The Jury found that the SFDPH is not in compliance with its pledge to the California Department of Public Health to keep residents informed of developments at HPS. The website is not regularly updated.
2. The Jury found the City has placed itself in a potentially compromising situation with Lennar where in essence the wolf is paying the shepherd to guard the flock. By having the developer, Lennar, reimburse the city for monitoring expenses associated with the HPS redevelopment project, the SFDPH has created a situation that could raise doubt in the public's mind about its commitment to proactively and impartially enforce environmental health regulations even when it might adversely impact Lennar. Public trust in the SFDPH has been further jeopardized by its failure to update its website in a timely manner, and its apparent reluctance to comment publicly on the best method to deal with the cleanup of Parcel E-2.
3. These concerns were further reinforced by the recent release of e-mail messages that purportedly show inappropriate communications between senior officials at the SFDPH and the EPA and Lennar and one of its consultants.
4. With the exception of Parcel A, the City has no legal control over the remaining HPS property. Consequently, in a technical sense the City has no authority over matters dealing with deadlines and deliverables for environmental clean-up. However, the City does in fact have some standing in these matters via the 2004 Conveyance Agreement between the San Francisco Redevelopment Agency (SFRA) and the Navy. The agreement stipulates that the Navy will work collaboratively with the SFRA and share information about cleanup work.
5. Governor Brown's announcement earlier this year that he intends to cut funding to redevelopment agencies in the next fiscal year directly threatens the HPS redevelopment project. Up to now, there has been no indication from either the City or the San Francisco Redevelopment Agency how they intend to continue the HPS redevelopment project should redevelopment funds be actually cut or eliminated by the State.
6. Previous efforts by the City to implement work force policies at city-funded construction projects such as the HPS redevelopment project have largely proved ineffective as they only require a contractor to make a good faith effort to hire local workers. Earlier this year a new work force ordinance came into effect that has stricter requirements and mandates.

RECOMMENDATIONS

1. The Department of Public Health (SFDPH) should strictly adhere to its self-proclaimed pledge to keep the residents of San Francisco apprised of developments at HPS by updating its HPS Project website "... on a weekly or monthly basis."
2. In order to erase any doubt among the public with respect to its ability to remain independent and impartial in overseeing the cleanup work at HPS, the SFDPH should immediately stop accepting money from Lennar to pay for monitors at HPS and cover the cost from its own resources.
3. In order to avoid even the semblance of inappropriate behavior, government agencies such as the SFDPH should rigorously enforce conflict of interest guidelines governing dealings between its officials and the companies they are monitoring.
4. SFDPH should conduct its own environmental assessment of the issue of capping Parcel E-2 and make its findings available to the public for comment. This process should occur before the Board of Supervisors holds its next hearing on the HPS redevelopment project.
5. Due to the fact that the Navy still owns the majority of the land comprising HPS and consequently the city has no direct control over matters dealing with deadlines and deliverables for environmental cleanup, it is critical that the Bay Area Air Quality Management and the SFDPH be particularly vigilant in monitoring clean-up activities at HPS.
6. The City and the SFRA should have contingency plans in place for continuing SFRA related projects, including the HPS redevelopment project, in the event that State redevelopment funds are cut or eliminated.
7. In order to ensure that the job creation goals promised for the HPS redevelopment project are realized, the City should insure that the Office of Labor Standards Enforcement has sufficient resources to allow it to effectively enforce the provisions of the new workforce laws.

METHOD OF INVESTIGATION

In preparing this report, the Jury reviewed various reports and conducted interviews with local and state officials, community stakeholders, environmental organizations and county agencies.

While investigating the topic, the Jury learned that one of its jurors may have a perceived conflict of interest, or the appearance thereof, due to their past occupation from which the juror has since retired. Due to this fact, the juror voluntarily recused himself from investigating, deliberating, or voting on this report. Finally, in preparing this report the Jury did not utilize any information provided by this juror.

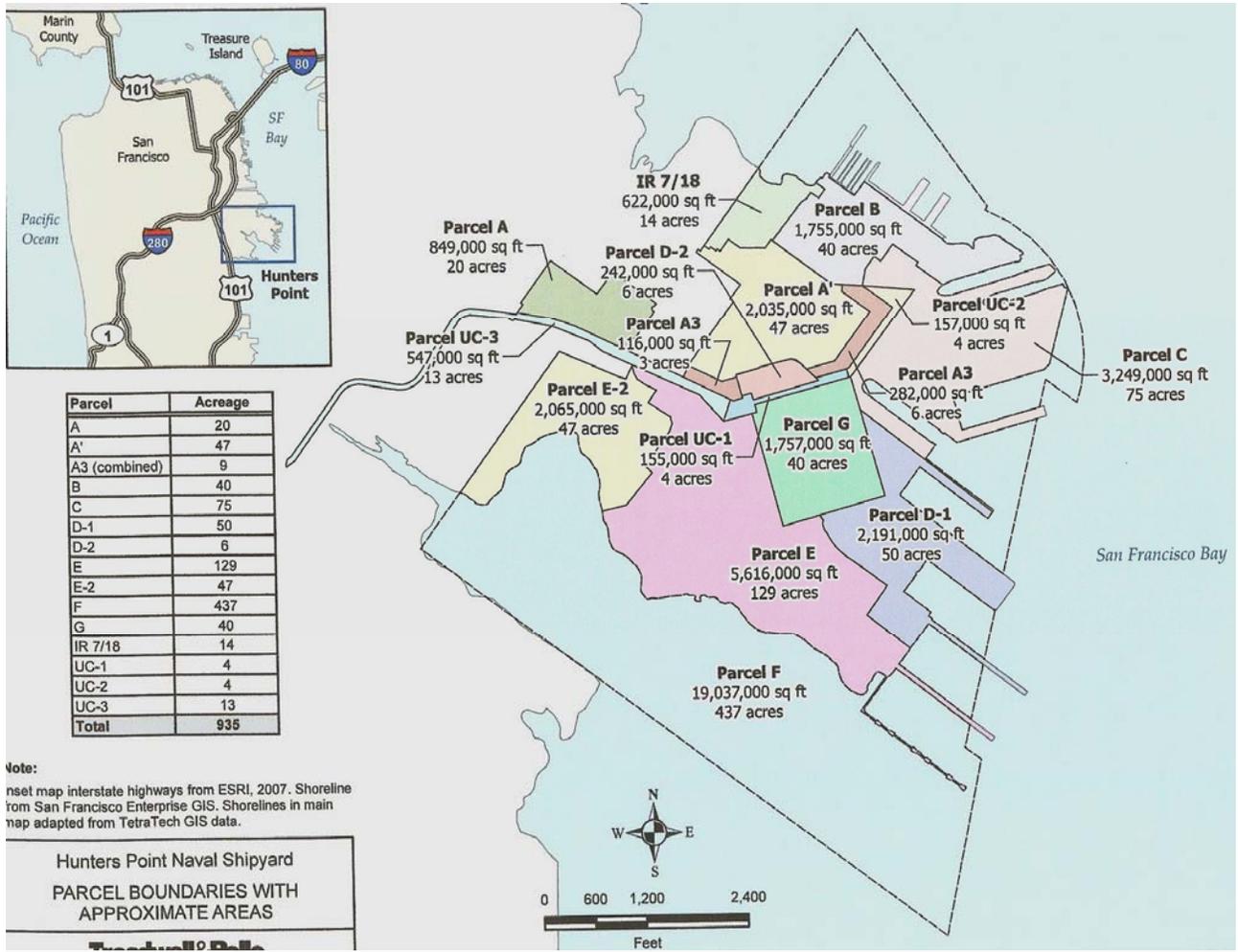
GLOSSARY

BAAQMD:	Bay Area Air Quality Management District
BVHP:	Bayview Hunters Point
CERCLA:	Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (aka Superfund)
HPS:	Hunters Point Shipyard
OEWD:	Office of Economic and Workforce Development
SFDPH:	San Francisco Department of Public Health
SFRA:	San Francisco Redevelopment Agency
US EPA:	US Environmental Protection Agency

ENDNOTES

- ¹ Colliver, Victoria (2011, January). Hunters Point project moves forward. San Francisco Chronicle, <http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2011/01/09/BAOQ1H6A5I.DTL>
- ² Map of HPS Site: <http://bit.ly/HPSmap>
- ³ <http://www.hunterspointcommunity.com/>
- ⁴ San Francisco Department of Public Health response letter to California Department of Public Health, October 9, 2007. <http://bit.ly/CDPHSFDPH>
- ⁵ Historical Radiological Assessment, Volume II, Use of General Radioactive Materials, 1939-2003, Pearl Harbor Naval Shipyard & Intermediate Maintenance Facility, US Navy Radiological Control Office, <http://bit.ly/NavyHRA>
- ⁶ Farallon Island Radioactive Waste Dump retrieved November 30, 2010, USGS Pacific Coastal & Marine Science Center, <http://walrus.wr.usgs.gov/farallon/radwaste.html>
- ⁷ Katz, Mitch, Health Programs in Bayview Hunters Point and Recommendations for Improving the Health of Bayview Hunter's Point Residents (July 2006), Page 4, San Francisco Department of Public Health <http://www.sfdph.org/dph/files/reports/StudiesData/HlthProgsBVHPyRecommends07052006B.pdf>
- ⁸ The Bay Citizen (<http://s.tt/129eh>)
- ⁹ Link to Alleged Emails from Governmental Officials and Lennar: <http://bayc.it/dDIV/>
- ¹⁰ Draft radiological addendum to feasibility report April 27 2010
- ¹¹ <http://www.epa.gov/superfund/cleanup/analys.htm>
- ¹² EPA classifies diesel fumes as probable carcinogen, 09/04/02, <http://bit.ly/Cancerfumes>
- ¹³ Superfund – Hunters Point Naval Shipyard, <http://1.usa.gov/SuperfundHPS>
- ¹⁴ US Navy: 2004 Conveyance Agreement with the SF Redevelopment Agency
- ¹⁵ <http://www.communitywindowontheshipyard.org/citypolicy/index.htm>
- ¹⁶ Leamon Abrams, Office of Economic & Workforce Development Director, in his August 9, 2002 response to the 2001-2002 Civil Grand Jury Report.
- ¹⁷ June 2008, Voter Pamphlet, http://sfpl4.sfpl.org/pdf/main/gic/elections/June3_2008.pdf
- ¹⁸ June 2008, Voter Pamphlet, http://sfpl4.sfpl.org/pdf/main/gic/elections/June3_2008.pdf
- ¹⁹ Hunters' Point Redevelopment Plan, <http://bit.ly/HPSplan>
- ²⁰ Redevelopment Agency's 2007 BVHP Contracting and Employment Policy, page 17
- ²¹ SF Local Hiring Ordinance, <http://bit.ly/LOCAL-SF>
- ²² Gov. Jerry Brown targets redevelopment agencies [broadcast January 10, 2011], ABC 7- KGO News. <http://bit.ly/BrownCuts>
- ²³ Kelkar, Kamala, California budget plan jeopardizes major projects in San Francisco, SF Examiner, 2/7/11 <http://bit.ly/budgetwoes>
- ²⁴ Kelkar, Kamala, California budget plan jeopardizes major projects in San Francisco, SF Examiner, 2/7/11 <http://bit.ly/budgetwoes>
- ²⁵ Mayor Edwin M. Lee's Proposed Budget for FY11/12, June 1, 2011 <http://www.sfmayor.org/Modules/ShowDocument.aspx?documentid=112>

APPENDIX A



HUNTERS POINT SHIPYARD
PARCEL BOUNDARIES A - G

RESPONSE MATRIX

FINDINGS	RECOMMENDATIONS	RESPONSE REQUESTED
<p>Finding 1</p> <p>The Jury found that the SFDPH is not in compliance with its pledge to the California Department of Public Health to keep residents informed of developments at HPS. The website is not regularly updated.</p>	<p>Recommendation 1</p> <p>The Department of Public Health (SFDPH) should strictly adhere to its self-proclaimed pledge to keep the residents of San Francisco apprised of developments at HPS by updating its HPS Project website "... on a weekly or monthly basis."</p>	<p>SFDPH – Environmental Health Department</p>
<p>Finding 2</p> <p>The Jury found the City has placed itself in a potentially compromising situation with Lennar where in essence the wolf is paying the shepherd to guard the flock. By having the developer, Lennar, reimburse the city for monitoring expenses associated with the HPS redevelopment project, the SFDPH has created a situation that could raise doubt in the public's mind about its commitment to proactively and impartially enforce environmental health regulations even when it might adversely impact Lennar. Public trust in the SFDPH has been further jeopardized by its failure to update its website in a timely manner, and its apparent reluctance to comment publicly on the best method to deal with the cleanup of Parcel E-2.</p>	<p>Recommendation 2</p> <p>In order to erase any doubt among the public with respect to its ability to remain independent and impartial in overseeing the cleanup work at HPS, the SFDPH should immediately stop accepting money from Lennar to pay for monitors at HPS and cover the cost from its own resources.</p>	<p>SFDPH</p>

<p>Finding 3</p> <p>These concerns were further reinforced by the recent release of e-mail messages that purportedly show inappropriate communications between senior officials at the SFDPH and the EPA and Lennar and one of its consultants.</p>	<p>Recommendation 3</p> <p>In order to avoid even the semblance of inappropriate behavior, government agencies such as the SFDPH should rigorously enforce conflict of interest guidelines governing dealings between its officials and the companies they monitor.</p>	<p>SFDPH</p>
<p>Finding 4</p> <p>With the exception of Parcel A, the City has no legal control over the remaining HPS property. Consequently, in a technical sense the City has no authority over matters dealing with deadlines and deliverables for environmental clean-up. However, the City does in fact have some standing in these matters via the 2004 Conveyance Agreement between the San Francisco Redevelopment Agency (SFRA) and the Navy. The agreement stipulates that the Navy will work collaboratively with the SFRA and share information about cleanup work.</p>	<p>Recommendation 4</p> <p>SFDPH should conduct its own environmental assessment on capping Parcel E-2 and make its findings available to the public for comment. This should occur before the Board of Supervisors holds its next hearing on the HPS redevelopment project.</p> <p>Recommendation 5</p> <p>The Navy still owns the majority of the land comprising HPS and consequently the city has no direct control over matters dealing with deadlines and deliverables for environmental cleanup. It is critical that the Bay Area Air Quality Management and the SFDPH be particularly vigilant in monitoring clean-up activities at HPS.</p>	<p>SFDPH – Environmental Health</p> <p>BAAQMD</p> <p>SFDPH – Environmental Health</p>

<p>Finding 5</p> <p>Governor Brown’s announcement earlier this year that he intends to cut funding to redevelopment agencies in the next fiscal year directly threatens the HPS redevelopment project. Up to now, there has been no indication from either the City or the San Francisco Redevelopment Agency how they intend to continue the HPS redevelopment project should redevelopment funds actually be cut or eliminated by the State.</p>	<p>Recommendation 6</p> <p>The City and the SFRA should have contingency plans in place for continuing SFRA related projects, including the HPS redevelopment project, in the event that State redevelopment funds are cut or eliminated.</p>	<p>Mayor’s Office</p> <p>Board of Supervisors</p> <p>OEWD</p> <p>SFRA</p>
<p>Finding 6</p> <p>Previous efforts by the City to implement work force policies at city-funded construction projects such as the HPS redevelopment project have largely proved ineffective as they only require a contractor to make a good faith effort to hire local workers. Earlier this year a new work force ordinance came into effect that has stricter requirements and mandates.</p>	<p>Recommendation 7</p> <p>In order to ensure that the job creation goals promised for the HPS redevelopment project are realized, the City should insure that the Office of Labor Standards Enforcement has sufficient resources to allow it to effectively enforce the provisions of the new workforce laws.</p>	<p>OEWD</p> <p>Board of Supervisors</p> <p>OLSE</p>