

Revised

RESOLUTION NO. 109-2008

Adopted September 16, 2008

**AUTHORIZING A GRANT AGREEMENT WITH THE BAYVIEW
MERCHANTS ASSOCIATION, A CALIFORNIA NONPROFIT
CORPORATION, IN AN AMOUNT NOT TO EXCEED \$147,600 FOR
THE OPERATION OF THE INTERNATIONAL AFRICAN MARKETPLACE
FOR A TWO-YEAR TERM FROM SEPTEMBER 16, 2008 TO
SEPTEMBER 15, 2010 WITH ONE, ONE-YEAR OPTION TO EXTEND;
HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA**

BASIS FOR RESOLUTION

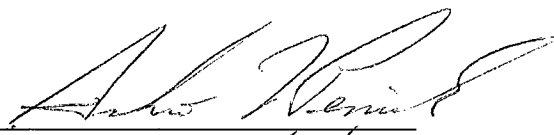
1. Since the early 1930's, the United States Department of the Navy (the "Navy") has owned the Hunters Point Naval Shipyard, which consists of approximately 511 acres of land (the "Shipyard"). Originally, the Shipyard was divided into five land parcels (Parcels A, B, C, D and E) roughly corresponding to the Navy's plan to remediate the hazardous materials on the Shipyard on a parcel by parcel basis.
2. On December 2, 2003, the Agency Commission authorized the Disposition and Development Agreement-Hunters Point Shipyard Phase 1 (the "DDA") between the Redevelopment Agency of the City and County of San Francisco (the "Agency") and Lennar-BVHP, LLC ("Lennar") for among other things, the development of a portion of Parcel A.
3. On December 3, 2004, after extensive environmental investigation and remediation, the Navy transferred Parcel A (approximately 75 acres) to the Agency. The Navy has undertaken an extensive remedial program on the remaining Shipyard parcels and is working closely with the Agency and the City and County of San Francisco to clean the Shipyard to acceptable standards in preparation for transfer to the Agency for redevelopment.
4. A robust Community Benefits Agreement (the "CBA") is an ancillary document to the DDA, which sets forth Lennar's obligation to implement 11 programs aimed at providing community and economic development for Bayview Hunters Point ("BVHP") residents and businesses.
5. Under the CBA, Lennar is obligated to provide certain infrastructure improvements so that an "interim" African Marketplace could be operated until a permanent site for an International African Marketplace ("IAM") is available on another Shipyard parcel upon transfer from the Navy to the Agency.
6. Once construction activities on Parcel A commenced in 2005, the Agency and Lennar determined that the proposed location of the "interim" African Marketplace was not suitable for public use and sought community approval to relocate the interim African Marketplace to the Third Street commercial corridor in the greater BVHP community.

7. In September 2006, operating under a modified IAM plan, Lennar and its consultants launched a pilot program of eight consecutive Saturday marketplace events at the Bayview Opera House, in conjunction with the Bayview Farmer's Market. The following year, the event was reduced to three consecutive weekends. Feedback from the community, other stakeholders, and event planning experts concluded that the 2008 interim African Marketplace event should occur over a single weekend to maximize media attention and attendance.
8. On April 7, 2008, the Agency issued a Request for Proposals ("RFP") seeking operators for the IAM for program years 2008-2010. The Agency received three responses to the RFP. All three were considered complete and responsive, and were invited for interviews. A selection panel consisting of the Hunters Point Shipyard Citizens Advisory Committee and staff from the Mayor's Office of Economic and Workforce Development, the Supervisorial District 10 Office, the Arts Commission and the Agency interviewed the RFP respondents.
9. After an extensive deliberation process, the selection panel determined that the Bayview Merchants Association ("BMA") was the most suitable respondent to coordinate and operate the IAM events.
10. The Agency now desires to enter into a grant agreement with BMA for a term of two years with one, one-year extension option. The grant is not to exceed \$65,600 for 2008, \$49,200 for 2009, and \$32,800 for 2010 for a total aggregate amount not to exceed \$147,600. The term is for two years with one, one-year extension at the sole discretion of the Agency's Executive Director.
11. Authorization of the grant agreement with BMA is not a Project as defined by the California Environmental Quality Act Guidelines Section 15378(b)(5). Operation and administration of the IAM will not independently result in a significant physical effect on the environment.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to enter into a Grant Agreement with the Bayview Merchants Association, a California nonprofit corporation, in an amount not to exceed One Hundred Forty-Seven Thousand Six Hundred Dollars (\$147,600) for the operation of the International African Marketplace for a two-year term from September 16, 2008 to September 15, 2010 with one, one-year option to extend, substantially in the form lodged with the Agency General Counsel.

APPROVED AS TO FORM:


James B. Morales 9/12/08
Agency General Counsel