

RESOLUTION NO. 42-2013

Adopted August 20, 2013

AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH EQUITY COMMUNITY BUILDERS LLC, A CALIFORNIA LIMITED LIABILITY CORPORATION, TO EXTEND THE CONTRACT TERM BY 18 MONTHS, FOR THE PERIOD OF SEPTEMBER 8, 2013 THROUGH FEBRUARY 7, 2015, TO ENABLE CONTINUED PREDEVELOPMENT ANALYSES, PROJECT MANAGEMENT, AND DEVELOPMENT SERVICES FOR BUILDING 813 LOCATED IN THE HUNTERS POINT SHIPYARD; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA

WHEREAS, The San Francisco Board of Supervisors adopted the Hunters Point Shipyard (the “Shipyard”) Redevelopment Plan in 1997 and amended it in 2010 to provide for the integrated planning and development of the Shipyard and the Candlestick. These lands will be developed and transformed into productive areas for jobs, parks, and housing, including affordable housing. The Shipyard will be implemented in two phases (under separate but related Phase 1 and 2 disposition and development agreements, the “Phase 1 DDA” and the “Phase 2 DDA”) and will deliver over 12,000 new homes, approximately 32 percent of which will be below market rate and will include the rebuilding of the Alice Griffith public housing development consistent with the City’s HOPE SF program, more than 350 acres of new parks, and up to 3 million square feet of research and development space; and,

WHEREAS, Building 813 is an existing vacant, four story, 260,000 square-foot building centrally located on the Shipyard along the Crisp Road corridor. Building 813 is adjacent to the planned 3 million square feet office, research and development campus. The building is currently owned by the U.S. Department of the Navy (“Navy”), but is expected to transfer to the Office of Community Investment and Infrastructure (“OCII”), as successor to the former San Francisco Redevelopment Agency (“SFRA”), in September of 2013,

WHEREAS, By being ready for development, Building 813 will be able to help seed and catalyze the development of this research and development corridor in advance of its full build-out; and,

WHEREAS, In furtherance of developing Building 813, in September 2010, after a request for qualifications process, SFRA selected a consultant team lead by Equity Community Builders (“ECB”) to enter into a three year personal services contract (the “Contract”) to conduct predevelopment analyses, as well as help manage the rehabilitation and disposition of Building 813. The Contract has a budget of \$1.69 million and has a scope of services that

includes, (1) feasibility analysis, (2) design and construction of building repairs/stabilization work, (3) development of disposition and leasing plans, (4) and overall project management; and,

WHEREAS, The Contract budget has a remaining balance of approximately \$338,000 but is expiring on September 7, 2013. No additional funds are needed at this time, but the parties wish to extend the Contract by 18 months to ensure completion of the building repairs/stabilization work and preparation of a disposition plan in conformance with the OCII Long Range Property Management Plan (“LRPMP”) required by AB 1484; and,

WHEREAS, OCII staff seeks authorization to extend the existing Contract for 18 months (subject to earlier termination by the Executive Director) to ensure completion of the building repairs/stabilization work and preparation of a disposition plan; and,

WHEREAS, Expenses for the Contract are reimbursable under grant funding from the U.S. Department of Commerce’s Economic Development Administration (“EDA”) for the predevelopment, rehabilitation, and development of Building 813. The EDA grant requires a 10 percent local match, which will be fulfilled with tax increment funds from the Shipyard; and,

WHEREAS, The EDA Grant and the Contract are enforceable obligations under the Dissolution Law. On December 14, 2012, the California State Department of Finance issued a Final and Conclusive Determination under California Health and Safety Code § 34177.5 (i), that the Shipyard’s Phase 1 DDA and the Phase 2 DDA are enforceable obligations that survived the dissolution of the Redevelopment Agency. The Contract is in furtherance of, and is necessary to complete, OCII obligations under the EDA Grant. The Contract is shown on line HPSY 65 of the approved Recognized Obligation Payment Schedule (“ROPS”) for July to December 2013, which was approved by the Oversight Board, by Resolution No. 4-2013 and the Department of Finance, and will be included on each successive ROPS until expiration or termination of the Contract; and,

WHEREAS, A copy of a first amendment to the Contract extending the term for 18 months (the “First Amendment”) is on file with the Secretary of this Commission, and incorporated herein as if fully set forth; and,

WHEREAS, Authorization of the First Amendment is an OCII administrative activity that would not have any direct physical effect on the environment and is not a “Project” as defined in CEQA Guidelines Section 15378(b)(5); now, therefore, be it

RESOLVED, That this Commission approves and authorizes the Executive Director to execute the First Amendment, substantially in the form on file with the Secretary of this Commission, to extend the term of the Contract by 18 months, for the period of September 8, 2013 through February 7, 2015.

I hereby certify that the foregoing resolution was adopted by the Commission on Community Investment and Infrastructure at its meeting of August 20, 2013.

Natasha Jones
Commission Secretary