

Commission on Community Investment and Infrastructure

RESOLUTION NO. 58-2013  
**Adopted December 17, 2013**

AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH MCCOY'S PATROL SERVICE, A CALIFORNIA CORPORATION, TO EXTEND THE CONTRACT TERM ON A MONTH-TO-MONTH BASIS FOR UP TO TWO MONTHS FOR THE PERIOD JANUARY 1, 2014 THROUGH FEBRUARY 28, 2014, AND TO INCREASE THE CONTRACT AMOUNT BY AN AMOUNT NOT TO EXCEED \$70,000, TO PROVIDE SECURITY SERVICES AT THE HUNTERS POINT SHIPYARD, FOR A TOTAL AGGREGATE AMOUNT OF \$1,776,613; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA

WHEREAS, Under Chapter 5, Statutes of 2011, ABx1 26, and Assembly Bill No. 1484 (Chapter 26, Statutes of 2011-12, Regular Session) (collectively, the "Dissolution Law"), the San Francisco Redevelopment Agency ("SFRA") was dissolved and the non-affordable housing obligations of SFRA were transferred to the successor agency, now known as the Office of Community Investment and Infrastructure or "OCII," the successor to the San Francisco Redevelopment Agency by operation of law; and,

WHEREAS, The Dissolution Law required the formation of an oversight board for each dissolved redevelopment agency to oversee the fiscal management of successor agency activities. The oversight board for OCII (the "Oversight Board") has been meeting since March 2012 to perform its duties under the Dissolution Law; and,

WHEREAS, On October 2, 2012, the Board of Supervisors in its capacity as the legislative body of the Successor Agency adopted Ordinance No. 215-12, acknowledging that OCII is a separate legal entity as a result of AB 1484 and creating the Successor Agency Commission, also known as the Community Investment and Infrastructure Commission (the "Commission"), as the policy body of OCII to implement three Major Approved Development Projects (1. Hunters Point Shipyard/Candlestick Point, 2. Mission Bay, and 3. Transbay), the Retained Housing Obligations, and other enforceable obligations under the Dissolution Law; and,

WHEREAS, The Hunters Point Shipyard (the "Shipyard") and Candlestick Point Project (together the "Project") is divided into two phases, called Phase 1 and Phase 2, each with a separate disposition and development agreement ("DDA"). The DDAs, together with a number of related binding agreements attached to or referenced in the text of the DDAs, establish a comprehensive set of enforceable obligations that collectively govern the completion of the Project. The DDAs are binding contractual agreements that provide for the transfer of land from OCII to developers, the developers' and OCII's rights and obligations relating to the construction of specified improvements, and the financing mechanisms for completing the Project. The Project 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, up to 3 million square feet of research and development space, and more than 350 acres of new parks in the southeast portion of San Francisco. In total, the Project will generate over \$6 billion of new economic activity to the City, more than 12,000 permanent jobs, hundreds of new construction jobs each year, new community facilities, new transit infrastructure, and provide approximately \$90 million in community benefits. The Project's full

build out will occur over 20-30 years, but over 1,000 units of housing and 26 acres of parks will be completed over the next 5 years in the first phase of the Project; and,

WHEREAS, The 2004 Conveyance Agreement establishes the process for the transfer of Shipyard parcels from the U.S. Department of the Navy (the “Navy”), after the Navy has completed environmental remediation of parcels to levels consistent with the intended reuse of the property. The Conveyance Agreement also set forth rights and responsibilities for both the Navy and SFRA including requiring SFRA to enter into a Security Cooperative Agreement with the Navy in 2005 to provide Security Services at the Shipyard; and,

WHEREAS, In furtherance of this, SFRA issued a Request for Qualifications (“RFQ”), seeking qualified security firms to provide security services (“Security Services”) at the Shipyard in August 2005. SFRA staff received three complete responses from security vendors through the RFQ. After an evaluation of the proposals and interviews, McCoy’s Patrol Service (“McCoy”) was determined to be the most qualified firm to provide Security Services at the Shipyard and was recommended to the SFRA Commission for a personal services contract (“Contract”). SFRA entered into a three-year Contract with McCoy, with two one-year extensions to be exercised by the Executive Director. OCII is reimbursed 100 percent for security services on a pro-rata-share basis by the Navy and the Shipyard’s developer, HPS Development Co, LP (“Lennar” or the “Developer”); and,

WHEREAS, The Phase 1 DDA requires Lennar to provide property management services at the Shipyard through an Interim Lease starting in 2006. The Interim Lease required Lennar to provide all the property management services at the Shipyard (only for the OCII occupied areas, which are Parcel A and portions of Parcel B) except for Security Services which SFRA decided to contract for directly. However, the Interim Lease required Lennar to provide Security Services if OCII requested it. Since Lennar already provides all the other property management services at the Shipyard, OCII has requested that Lennar now provide the Security Services as required under the Interim Lease; and,

WHEREAS, Lennar is unable to complete a solicitation before the term of McCoy’s Contract ends on December 31, 2013. In order to provide uninterrupted Security Services for the Shipyard during the procurement process, staff is seeking to extend the current Contract on a month to month basis for up to two months. The extended Contract would then be terminated after a new personal services contract with Lennar is in effect and a transition has occurred. This amendment to the Contract (the “First Amendment”) will not change the scope of work of the Contract but will increase the budget of the Contract by \$70,000; and,

WHEREAS, OCII staff briefed the Shipyard Citizens Advisory Committee (“CAC”) on the details of the proposed First Amendment with McCoy, a copy of which is on file with the Secretary of this Commission, during its December 9, 2013 meeting and the CAC recommended moving forward with the Contract amendment; and,

WHEREAS, Under the State’s redevelopment dissolution law, the OCII is the successor agency to the former Redevelopment Agency and all authority, rights, powers, duties, and obligations previously vested in the former Redevelopment Agency, under the Community Redevelopment Law, are vested in the Agency (See California Health & Safety Code Section 34173); and,

WHEREAS, OCII and Contractor desire to modify the Contract on the terms and conditions set forth herein to allow Contractor's services to continue on a month-to-month basis over a two-month period. A copy of the First Amendment is on file with the Secretary of the Commission; and,

WHEREAS, If approved, the First Amendment will be an enforceable obligation under the Dissolution Law. The Contract is in furtherance of, and is necessary to complete, OCII obligations under the Phase 1 and 2 DDAs, as well as the Conveyance Agreement. 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 Phase 1 DDA and the Phase 2 DDA are enforceable obligations that survived the dissolution of the Redevelopment Agency. The Contract is shown on line 27 of the approved Recognized Obligation Payment Schedule for January to June 2014, which was approved by the Oversight Board and the Department of Finance; and,

WHEREAS, Authorization of a First Amendment with McCoy's is an OCII administrative activity that would not have any direct physical effects on the environment and is not a "Project" as defined in California Environmental Quality Act Guidelines Section 15378(b)(5); and,

RESOLVED, That this Commission approves and authorizes the Executive Director to execute a First Amendment, substantially in the form on file with the Secretary of this Commission, for a two-month term, for the period January 1, 2014 through February 28, 2014, and to increase the budget amount by \$70,000 with a total aggregate budget amount not to exceed \$1,776,613, to provide security services at the Hunters Point Shipyard, and, be it further

RESOLVED, That the Commission authorizes the Executive Director to take such other actions as may be necessary or appropriate, in consultation with the City Attorney's Office, to effectuate the purpose or intent of this resolution.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of December 17, 2013.

  
Commission Secretary