

Commission on Community Investment and Infrastructure

RESOLUTION NO. 61-2014

Adopted August 5, 2014

AUTHORIZING A SECOND AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH OVERLAND, PACIFIC AND CUTLER INC., A CALIFORNIA CORPORATION, TO EXTEND THE CONTRACT TERM TO END ON DECEMBER 31, 2017 AND TO INCREASE THE BUDGET BY \$456,383 FOR AN AGGRAGATE TOAL OF NOT TO EXCEED \$645,143 TO PROVIDE CONTINUED TENANT RELOCATION SERVICES AT THE HUNTERS POINT SHIPYARD IN COMPLIANCE WITH THE DISPOSITION AND DEVELOPMENT AGREEMENT FOR CANDLESTICK POINT AND PHASE 2 OF 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" between OCII and HPS Development Co., LP and CP Development Co., LP, respectively, ("Developer") 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, up to 3 million square feet of research and development space, and an Arts and Technology District; and,

WHEREAS, The California Department of Finance ("DOF") has finally and conclusively determined that the Phase 1 DDA and the Phase 2 DDA are enforceable obligations under Redevelopment Dissolution Law, Section 34177.5 (i) of the California Health and Safety Code. Letter, S. Szalay, Local Government Consultant, DOF, to T. Bohee, Executive Director, OCII (Dec. 14, 2012); and,

WHEREAS, Since the mid 1980's artists have occupied studios in various buildings on the Shipyard, creating the largest artist enclave on the western seaboard. Through decades of planning efforts related to the Shipyard, the need to maintain the role of the artists in the future of the Shipyard has become a clear mandate from a variety of local, state and federal stakeholders; and,

WHEREAS, The Phase 2 DDA includes a Community Benefits Plan (Exhibit G) that requires the Developer to construct, at no cost to OCII, a new permanent artist studio space ("New Shipyard Artist Studios") and further provides

existing artists who are displaced because of the new development on the Shipyard with the right (but does not impose an obligation) to move to New Shipyard Artist Studios at the Shipyard. Further, relocated tenants (who move on-site or off-site) may be eligible for relocation benefits under applicable federal, state and local laws; and,

WHEREAS, In furtherance of OCII's relocation obligation and in compliance with the Phase 2 DDA, the former San Francisco Redevelopment Agency Commission approved, by Resolution No. 12-2011 (February 15, 2011), a contract with Overland, Pacific & Cutler ("OPC"), to provide tenant relocation services and implement a relocation program for tenants requiring relocation at the Hunters Point Shipyard and amended the Contract in February 2014 by Resolution No. 7-2014 to extend the Contract term by six months until August 15, 2014; and,

WHEREAS, To date, OPC has completed the assessment of existing conditions of Parcel B artists' buildings and has interviewed artists to understand their relocation needs and special requirements and has worked with the Developer's design team inform the Schematic Design of the New Shipyard Artist Studios. Additionally, OPC's sub-consultants, Northern California Community Loan Fund ("NCCLF") and Ventura Partners have been conducting artist studio rent surveys and financial evaluations of building operating cost to recommend a minimum rental rate for the New Shipyard Artist Studios that will be occupied by displaced artists. Other tasks such as advising artists about the extent of individual eligibility benefits and information on the claims process, and preparing the relocation plan, are also still ongoing; and,

WHEREAS, The original Contract was awarded with a scope for Phase 1: Outreach, Phase 2: Relocation Planning and Phase 3: Relocation Implementation. However, the budget for Phase 3 was to be determined through a future Contract amendment at a time closer to the actual relocation. Staff is now seeking authorization to provide a budget for Phase 3: Relocation Implementation, and reallocate remaining contract funds to complete the scope of work under Phases 1 and 2 of the Contract; and,

WHEREAS, The original Contract budget of \$188,760 has a remaining balance of approximately \$61,117 which will be reallocated to the Amended Scope of Services. Accordingly, \$456,383 in newly authorized funds are needed to complete the updated Contract Scope, which includes \$70,000 for remaining and expanded services under Outreach and Relocation Planning, \$380,00 for Relocation Implementation and \$67,500 for a contingency; and,

WHEREAS, The original Contract had a Contract term from February 16, 2011 through February 15, 2014 and was amended in February 2014 to reflect an August 15, 2015 end date. Relocation activities are expected to be completed in 2017 and thus the new Contract term is being extended to December 31, 2017; and,

WHEREAS, Expenditures under this Contract are reimbursable under the Phase 2 DDA and are subject to approval under OCII's Recognized Obligations Payment Schedule; and,

WHEREAS, The Second Amendment is in compliance with the Phase 2 DDA, an enforceable obligation under Redevelopment Dissolution Law; and,

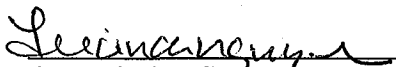
WHEREAS, The SFRA Commission and the San Francisco Planning Commission ("Planning Commission") certified the Final Environmental Impact Report for Phase 2 ("Phase 2 EIR") on June 3, 2010. As part of its actions in 2010, the Redevelopment Commission, by Resolution No. 59-2010 adopted findings pursuant to the California Environmental Quality Act ("CEQA"), including a Mitigation Monitoring and Reporting Program and a Statement of Overriding Considerations for the Project, which findings are incorporated into this Resolution by this reference. Subsequently this Commission issued a First Addendum to the Phase 2 EIR to address project changes and amended the previously adopted CEQA findings by Resolution No. 1-2014, which amendments also are incorporated into this Resolution by this reference; now, therefore, be it

RESOLVED, That the Second Amendment to the OPC Contract is consistent with the Project as analyzed in the Phase 2 EIR and subsequent Addendum, and requires no additional environmental review pursuant to State CEQA Guidelines Sections 15180, 15162, 15163, and 15164; and be it further

RESOLVED, That the Commission has reviewed and considered the Phase 2 EIR, together with the Addendum thereto and any additional environmental documentation in the Agency's files, and adopts the CEQA Findings set forth in Resolution No. 59-2010 as amended by Resolution No. 1-2014; and be it further

RESOLVED, That this Commission approves and authorizes the Executive Director to execute the Second Amendment, substantially in the form on file with the Secretary of this Commission, to extend the term of the Contract until December 31, 2017 and to increase the budget by \$ 456,383 for a total not to exceed amount of \$645,143.

I hereby certify that the foregoing resolution was adopted by the Commission on Community Investment and Infrastructure at its meeting of August 5, 2014.


Commission Secretary