



450-2162017-002

Meeting of April 18, 2017

INFORMATIONAL MEMORANDUM

TO: Community Investment and Infrastructure Commissioners

FROM: Nadia Sesay, Interim Executive Director

SUBJECT: Informational memorandum transmitting the Candlestick Point and Hunters Point Shipyard Master Developer's Report on compliance with the Community Benefits Programs for October through December of 2016 and OCII staff analysis; Hunters Point Shipyard and Bayview Hunters Point Redevelopment Project Areas

EXECUTIVE SUMMARY

As required in the Phase 1 Community Benefits Agreement ("CBA") and at the request of the Commission on Community Investment and Infrastructure ("Commission"), the Master Developer has provided a Quarter 4 Community Benefits Report (Attachment 1) demonstrating their efforts to comply with commitments contained in the Hunters Point Shipyard Phase 1 and Candlestick Point and Phase 2 of the Hunters Point Shipyard Disposition and Development Agreements ("DDAs"). Both the Phase 1 and Phase 2 DDAs contain robust Community Benefit commitments to be fulfilled by the Master Developers.

OCII staff has reviewed the report submitted by the Master Developer and provided comments in the attached HPS/CP OCII Community Benefits Compliance Analysis table (Attachment 2), for all the community benefits for each phase.

As illustrated in the attached Community Benefits Compliance table, the Master Developer is in substantial compliance with its requirements under the CBAs and has provided an array of benefits to the District 10 neighborhood. Where requirements have not been fully met, the letter to the Master Developer (Attachment 2) addresses next steps, proposes improvements by the Developer moving forward, or requests additional information.

Future Updates

Per the Phase 1 CBA, the Phase 1 Master Developer is required to provide quarterly written status reports on all Phase 1 community benefits programs to the Commission and make quarterly presentations to the Mayor's Hunters Point Shipyard Citizen's Advisory Committee. The next

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Nadia Sesay
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quarterly community update will occur in April 2017 and cover the period from January 2017 through March 2017. At the Commission's request, OCII staff will provide the Master Developer's Community Benefit Program updates to the Commission with staff's analysis of compliance with the CBA, which will continue to illustrate the cumulative impact of the Phase 1 and Phase 2 CBAs.

(Originated by Kasheica McKinney, Assistant Project Manager)



Nadia Sesay
Interim Executive Director

Attachment 1: 2016 Quarter 4 Master Developer's Report on Community Benefits

Attachment 2: Letter to Master Developer on 2016 Quarter 4 Community Benefits Compliance Status

HPS 1 and CPHPS 2 Community Benefits Compliance Report Q4 2016

Overview

Community Benefits

- ▶ DDA Phase 1 - Hunters Point Shipyard
- ▶ DDA Phase 2 - Hunters Point Shipyard Phase 2/Candlestick Point
- ▶ CCBA – Phase 2
- ▶ Special Projects

Phase 1: Disposition & Development Agreement

Phase 1 DDA

Community Benefits Plan

Community Benefits Agreement (2005)

Affordable Housing Program

BVHP Employment & Contracting Policies

Construction & Permanent Jobs

Small & Minority Owned Businesses

Open Space Plan

Financing Plan

Transportation Plan

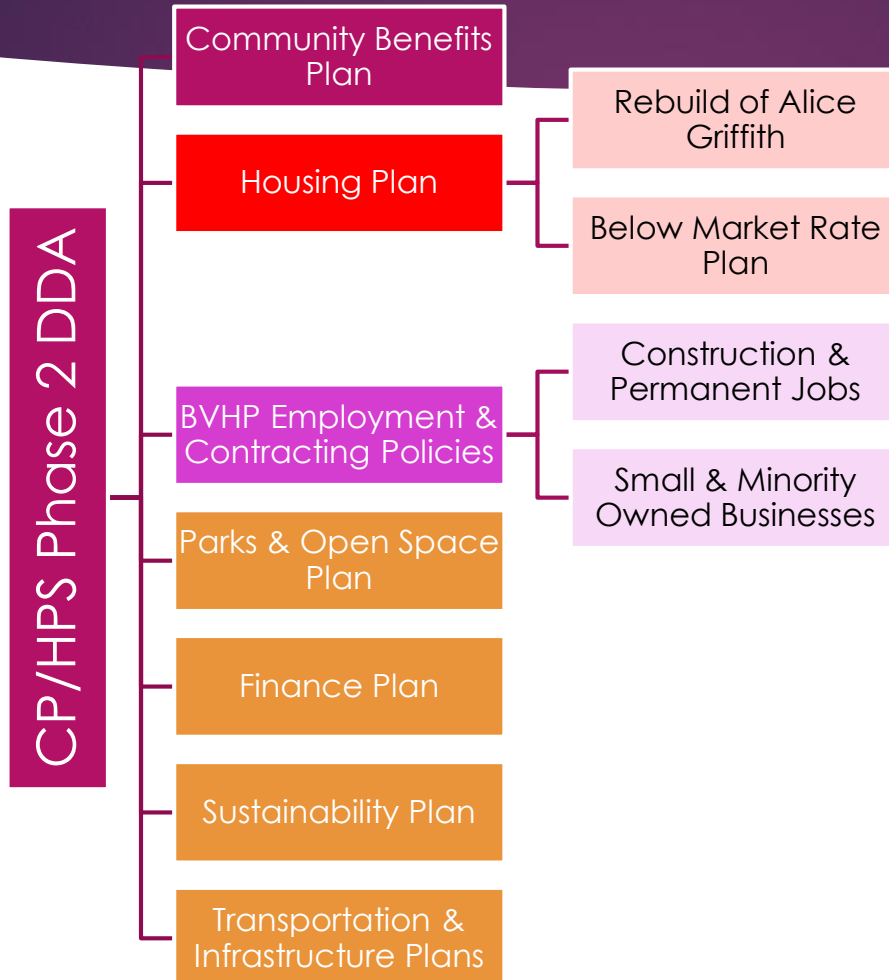
- **Parties:** OCII & HPS Development Co., LP
- **HPS Phase 1 DDA:** Entered into 2004
- **Phase 1 CBA:** Entered into 2005; amended 2009
- **CBA Overseen by:**
 - Commission on Community Investment and Infrastructure
 - HPS Citizens Advisory Committee (CAC)
 - Legacy Foundation

Phase 1: Community Benefits

- ❑ Construction Assistance Program*
- ❑ Community Builder Program *
- ❑ Interim African Marketplace *
- ❑ Local Community Priority Leasing Program Reporting
- ❑ Outreach Program
- ❑ Community Facilities Parcels *
- ❑ Cultural/Historic Recognition Program
- ❑ Business Incubator Space Program *
- ❑ Home Buyers Assistance Program
- ❑ Job Training & Employee Assistance
- ❑ Small Business Assistance Program
- ❑ Community Benefits Fund*

*Denotes Community benefits carried forward into Phase 2

Phase 2: Disposition & Development Agreement



Parties: OCII & CP Development Co., LP

CP & HPS Phase 2 DDA:
Entered into 2010

CBA Overseen by:

- ☐ Commission on Community Investment and Infrastructure
- ☐ HPS Citizens Advisory Committee (CAC)
- ☐ Legacy Foundation

Phase 2: Community Benefits

- ❑ Construction Assistance Program
- ❑ Community Builder Program
- ❑ Interim African Marketplace
- ❑ Community Facilities Space
- ❑ Community Facilities Parcels
- ❑ Community Real Estate Broker Program
- ❑ Business Incubator Space Program
- ❑ Scholarship Fund
- ❑ Education Improvement Fund
- ❑ Community Health and Wellness Contributions

Development Projects Underway

- ▶ HPSY Blocks 50-51, Blocks 53-54, and Welcome Center
- ▶ HPSY Blocks 56-57
- ▶ HPSY 49 (complete)
- ▶ HPSY Regional Parks- Innes Court/Park & Hillpoint Park Overlook
- ▶ Candlestick Park Demolition(complete)
- ▶ Alice Griffith Infrastructure (CP01)
- ▶ Alice Griffith Gilman Sewer (CP01) (complete)
- ▶ Alice Griffith Demo, Mass Grading & Surcharge (complete)
- ▶ Candlestick Point Surcharge (CP02,03,04)
- ▶ Candlestick Point Wet Utilities (CP02,03,04)
- ▶ HPSY Commercial Kitchen
- ▶ HPSY Artist Parcel Demolition, Mass grading & Utilities
- ▶ HPSY Pocket Parks 15-16 (complete)
- ▶ Hilltop Streetscape
- ▶ HPSY Existing Building Abatement - First Phase
- ▶ Hillside Infrastructure (anticipated start = end Q2 2017)
- ▶ HPSY Block 48 (anticipated start = Q2 2017)
- ▶ HPSY Block 55 (anticipated start = early Q4 2016)

Community Benefits Program

Highlights- *From inception thru Q4 2016*

- ▶ \$15,052,737 in direct Community Benefit expenditures
 - ▶ Job training expenditures \$2,039,044 to date
 - ▶ Contractor Assistance Expenditures \$1,227,662 through Q4 2016.
- ▶ Since 2010 protégés have been able to secure in contracts with a total value of more than \$45,000,000, and have employed more than 180 people, the majority of whom are D10 residents
 - ▶ **Since last update \$2,931,718 in new work and opportunities**
- ▶ 7268 jobs created
- ▶ Nearly 37% of workforce hours contributed local SF Residents
- ▶ Minorities comprise 65% of the workforce
- ▶ 1,935,914.19 hours of labor generated
- ▶ 429 units being built with Community Builders on Phase 1 (another *224 anticipated) (includes Block 49 – Pacific Pointe)
- ▶ \$1,715,000 in grants made through the Implementation Committee to date
- ▶ Alice Griffith – When complete, minimum of \$50M will have been contributed

*Inception to Q4 2016

Direct Expenditures and/or Payments To Date – As of Q4 2016

9

DDA – PHASE 1 & 2	
Community Benefits Fund	1,000,000.00
Community Health and Wellness Contributions	350,000.00
	1,227,662.00
Construction Assistance Program	
Education Improvement Fund	500,000.00
Interim African Marketplace	192,000.00
Job Training & Employee Assistance	2,039,044.00
Outreach Program (incl Homebuyer Assistance)	1,034,031.00
Scholarship Fund	500,000.00
Small Business Assistance Program	10,000.00
	6,852,737.00
CCBA	
Community First Housing Fund	5,698,000.00
Workforce Program Funding	2,075,000.00
Technical Assistance Funding	427,000.00
	8,200,000.00
	15,052,737.00

Q4 2016 Construction Workforce Program Performance

San Francisco Residents: 36,765 hrs. Approx. 25.08 %

District 10 Residents: 14,312 hrs. Approx. 10%

	Total Hours	% of Total Work hours
San Francisco Residents	14,312.35	25.08%
Total Minorities	89,930.65	61.35%
Black/African American	14,692.00	10.02%
Hispanic	70,402.65	48.03%
Asian/Pacific Islander	2,991.00	2.04 %
Caucasian	34,992.50	23.87%
Native American/Alaskan	1,845.00	1.26 %
Other	21,659.35	14.78 %
Women	4,549.75	3.10%

Phase 1 Housing Units

Block Numbers	Total Units	BMRs
1	224*	TBD
48	404	56
49	60	59
50	25	3
51	63	6
52	77*	9*
53	93	9
54	66	7
55E/W	25/41	3
56A	36	3
57A/B	96	12
* proposed		

Phase 1- Contractor Assistance Program

- ▶ **a) Technical Assistance Program:** Butler Enterprise Group administers the Phase 1 and Phase 2 CAP program. Thirty (30) contractors received TA during Q 2016. Administrator reports will provide greater detail.
- ▶ **b) Financial Assistance Program:** Butler Enterprises continues to conduct “Access the Money” workshops and provides other Financial Assistance as part of the “Mobilization Loan Program”. Reports provide specifics. **Mobilization Fund:** To date, nine (9) firms have received loans, \$333K in loans have been given to date.
- ▶ **c) Mentorship Program:** The Mentorship Protégé program has been administered by Renaissance Entrepreneurship Center since 2010. More information contained in next slide.
- ▶ **d) OCIP:** Due to limited insurance market capacity during this time, it was not feasible for Phase 1 Master Developer to purchase a \$145M insurance policy. Consequently, Phase 1 Master Developer resorted to address GL limits by establishing them on a project-by-project basis via insurance requirements in licenses & permits to enter and VDDAs approved by OCII. We continue to maintain the program.

Phase 1- Contractor Assistance Program Mentorship Protégé Program

- ▶ Administered by Renaissance Entrepreneurship Center
- ▶ The Protégés received administrative support, project management and marketing services from Light Frame Construction and Big Mouth Productions
- ▶ Nearly ninety percent (90%) of our clients are African American men of which sixty percent (60%) are low moderate income and twenty percent (20%) are extremely low-income. All of our clients either live or operate their businesses in District-10.
- ▶ During Q4 protégés secured \$724,198 in new contracts

Phase 2 - Contractor Assistance Program

Obligation: \$2.5 million (\$250,000 per year for up to 10 years) for implementation of programs to support contractors:

- ▶ Master Developer has spent \$1,109,039 in contractor assistance since 2014 *
- ▶ Master Developer made \$250k contribution towards Surety Bond and Credit Support Program
- ▶ Any shortfall at the end of the 10 year term will be paid to the Community Benefits Fund, or Developer will continue the CAP program beyond the term

* 2014 marks the beginning of Phase 2. However, there have been \$1,227,662 in expenditures since project inception thru Q4 2016

Community Builders Program

Phase 1 Community Builders

Block	Community Builder	Units
1	Tabernacle	224*
48 - A	SFHDC	16
48 – F& J	Shiloh Full Gospel Church	80
48 - K	The Baines Group/ BHPMPSS	26
48 - O	Eagle Environmental Consulting	11
49	AMCAL/YCD	50
52	Al Norman/ Derek Smith	77
53	MDC/C. Churchwell LLC	93
54	BAMEC Inc.	66

Phase 2 Update: Master Developer incompliance.

No market-rate blocks have been assigned for

Community Builders in the 1st Major Phase of Candlestick.

Obligation will be fulfilled in future Major Phases

Phase 2: OCII Community Builders



Alice Griffith Phase 1
Block 2 93 units
SF Housing Development
Corp.



Alice Griffith Phase 2
Block 4 91 units
Tabernacle Development
Corp.



Alice Griffith Phase 3
Block 1 122 units
SF Housing Development
Corp.

Phase 2 Update: Master Developer incompliance.
No market-rate blocks have been assigned for Community Builders in the 1st Major Phase of Candlestick.
Obligation will be fulfilled in future Major Phases

International African Marketplace

- ▶ **Phase 1 & Phase 2 Program:** The overall purpose of the IAM is to serve as an economic development engine for BVHP by:
- ▶ Housing activities of cultural diversity representing the African Diaspora and its cultural influences worldwide.
- ▶ Serving as an event location for commercial and retail business outlets as well as a business development center for BVHP vendors and artists who need business development guidance.

Phase 1 Update: Master Developer in compliance. Interim IAM events were held annually from 2006 through 2009.

- ▶ Money returned and being held for planning of permanent IAM programing \$83,676

Phase 2 Update: Master Developer in compliance. Two locations have been selected for the permanent IAM

- ▶ Outdoor: Northside Park (HPS)
- ▶ Indoor: Candlestick South Retail (CP) using “Community Facility Space”

Community Facilities Space

- ▶ **Phase 2 Program:** Master Developer in compliance. Master Developer will make 65k sq. ft. of retail space in the Project available for Community Serving Uses including:
 - ▶ Permanent International African Marketplace
 - ▶ Library Reading Rooms
 - ▶ Candlestick Point State Recreation Area Welcome Center
- ▶ Master Developer to provide 35k sq. ft. in next phase of development at Candlestick. Remaining 30k sq. ft. will be provided in a future Major Phase at the Shipyard.

Community Facilities Lots

Phase 1 & 2 Program: Master Developer will provide OCII 8 acres of developable lots for community facilities.

- ▶ Phase 1: 1.2 acres
- ▶ Phase 2: 6.8 acres

Update: Master Developer in compliance. OCII is facilitating discussions with SFUSD, SFPD, SFFD, SF Public Library and other service providers to determine future needs.

Additional Community Facilities

Phase 2 Program: Master Developer will provide:

- ▶ Replacement Artists' Studios (Vertical construction estimated to begin Q2 2017 w/completion estimated in Q1 2019)
- ▶ Art Center Parcel
- ▶ Replacement Commercial Kitchen (estimated completion Feb. 2017)
- ▶ Fire Station Lot

Job Training and Employee Assistance Program

- ▶ From inception, Master Developer has spent approximately \$1,985,000 on Job Training programs and activities through Q4 2016.
- ▶ Current Job Training Grant with YCD being renewed at \$100k.
 - ▶ EPA JRT Cohort 8 is in process - certification program - HAZWOPER, OSHA, Asbestos Worker, Lead Abatement, Mold Awareness, Confines Space, and CPR/First Aid.
 - ▶ Graduates are being indentured into Local Unions 261 and 67
 - ▶ Detailed information contained in YCD monthly reports

Job Training and Employee Assistance Program - continued

- ▶ Master Developer is developing a plan to accelerate Job Training expenditures to achieve compliance by 2018.
 - A) Health
 - B) Environmental training
 - C) Gardening landscaping
- ▶ Programs will have a D10 focus, and generally 2year contract to respond to requirement to provide a reasonable measure of sustained funding.
- ▶ Programs are responding to broader workforce and economic trends per DDA

Small Business Assistance Program

- ▶ Master Developer currently publishes a directory of local suppliers with contractors through the CAP program, but was not shared with Professional Services consultants not using suppliers. Master Developer has since launched a suppliers website available to all contractors.
- ▶ Master Developer is currently in the process of revising its consultant and contractor contracts regarding making 20% of their project related purchases from BVHP Area Small Businesses. Contractors will begin supplying information on compliance, as these contracts are implemented.
- ▶ Master Developer has begun to hold networking quarterly to which suppliers are invited. First was March 30th event, and Q2 event was held June 24th - 3rd Annual Meet & Greet BBQ for speakers, contractors, suppliers, and GC's. Q3 event, an program Open House, was held August 4th.

Business Incubator Space

Phase 1 Program: Facilitate the growth and development of a variety of businesses at the Shipyard through space provided at cost.

- ▶ **Phase 1 Update:** Master Developer in compliance. Master Developer to provide space in the Phase 2 project.

Phase 2 Program: Master Developer and OCII will work together develop Building 813, an approximately 260k sq. ft. building, for the use as a center for the incubation of emerging businesses and technologies.

- ▶ **Phase 2 Update:** Master Developer in compliance. OCII acquired Building 813 from the Navy in September.

Cultural/Historic Recognition Program

Phase 1 Program: Integrate cultural features throughout the Shipyard and to provide opportunities for local artists to participate in the creation of public art.

Phase 1 Update: Developer is compliance. OCII received federal grant funding to implement the Phase 1 program

- ▶ Commission and installation of 9 commissioned artworks by OCII (complete)
- ▶ Installation of 500 square feet of youth tiles by Developer (complete)

Homebuyer Assistance Program

Phase 1 Program: Provide assistance to qualified home buyers, including:

- ▶ Down Payment Assistance
- ▶ First Time Buyer Financing Program
- ▶ Homeownership Counseling

Phase 1 Update: Obligation passed to Vertical Developers through VDDAs.

- ▶ The Down Payment Assistance and First Time Buyer Financing Programs have been working with lenders to provide financing
- ▶ Between 2005-2016, there were 64 first time homebuyer informational workshops with a total of 1300 attendees
- ▶ There were two workshops in Q4, October 20th and November 17th

Community Real Estate Broker Program

- ▶ **Phase 2 Program:** Master Developer is required to hold specific marketing events for Community Brokers and provide Community Brokers with the opportunity to preview and show Phase 2 units ahead of other brokers.
- ▶ **Phase 2 Update:** Master Developer in compliance. No units are for sale in Phase 2. However, Master Developer has voluntarily extended this program to Phase 1. Developer provides Community Brokers representing buyers with an additional 1% commission as incentive.

Outreach Program

- ▶ Master Developer has spent \$1,034,000 on outreach activities, including events (many of which are provided by the contractor liaison per the Construction Assistance Program).
- ▶ Master Developer relaunched the www.hunterpointcommunity.com website where construction updates, reports by the Project's Environmental Manager, and outreach events related to specific projects are provided.
- ▶ During 2016 there were approx. 40 CAC meetings – both Subcommittee and Full committee, where parts of the project were presented and discussed.
- ▶ Master Developer in the process of getting into compliance on translations so that all Phase 1 communications will include Samoa.

Community Benefit Fund

Program Generally: Community Benefits Fund to be reinvested by OCII in the BVHP Community to:

- ▶ Benefit low- and moderate income families;
- ▶ Eliminate blight; and/or
- ▶ Meet other community development needs of BVHP as determined by the Legacy Foundation, including those related to social services, affordable housing, education, the arts, public safety, assistance for senior citizens and other community services.

Phase 1 Program: Master Developer contributed \$1 million to a Community Benefit Fund.

- ▶ Legacy Foundation – Strategic Plan (Fall 2016)

Phase 2 Program: Master Developer to contribute 0.5% of the first sale price of each market-rate housing unit

- ▶ No market rate homes have sold on Phase 2

Education Fund

Phase 2 Program:

- ▶ Used to support education enhancements within BVHP, which may include new facilities or upgrades to existing education resources and health and wellness education in schools
- ▶ \$500K paid to date

Health & Wellness Fund

Phase 2 Program:

- ▶ The Wellness Contribution is to be used for the expansion of the Southeast Health Center or, in the event that funds are not needed for the Southeast Health Center, for the creation or expansion of the Center for Youth Wellness.
- ▶ \$250k paid to date for Southeast Health Center
- ▶ \$100K paid for Community Health & Wellness fund to date

Scholarship Fund

Phase 2 Program:

- ▶ Used to assist youth and adults up to age 30 with cost of tuition and/or educational material in pursuit of a higher educational program
- ▶ \$5,000 of the Scholarship Fund are to be set aside annually for the “Will Bass Memorial Educational Travel Scholarship”
- ▶ Awarded to an African American student (18 to 25 years old) from BVHP for education travel to Africa or Asia.
- ▶ \$500k paid to date

Implementation Committee Expenditures

Phase 2 – CCBA – Not under OCII jurisdiction

GRANTEE	AMOUNT	PURPOSE
JANANESE COMMUNITY YOUTH COUNCIL -6/23/2011 (Workforce Development Fund)	\$140,000	To provide paid summer work experience to 60-75 underemployed D10 youth
YOUNG COMMUNITY DEVELOPERS - 6/28/2011 (Workforce Development Fund)	\$85,000	To conduct a summer youth employment program providing academic enrichment and job readiness skills to D10 youth.
HUNTERS POINT FAMILY (GIRLS 2000) – 7/28/2011 (Workforce Development Fund)	\$70,000	To provide paid summer work experience to 70 underemployed D10 youth.

Implementation Committee Expenditures-continued

GRANTEE	AMOUNT	PURPOSE
YOUNG COMMUNITY DEVELOPERS - 12/1/2012 (Workforce Development Fund)	\$182,000	To provide academic tutorial, enrichment and job and life skills training for 70 San Francisco District 10, 9th and 10 grade students at Phillip and Sala Burton and Thurgood Marshall High Schools.
COMMUNITY CONNECT GRANTS (2012 LISTENING SESSIONS) 8/2/2012 (Workforce Development Fund)	\$140,000	To recruit 18 District 10 CBOs to organize and host listening sessions with D10 residents to inform the IC's workforce and housing grant making strategies.

Implementation Committee Expenditures – continued

GRANTEE	AMOUNT	PURPOSE
SAN FRANCISCO HOUSING DEVELOPMENT CORPORATION 1/16/2014 (Workforce Development Fund & Community First Housing Fund)	\$610,000	To provide financial empowerment services to expand the financial capability of 100 low and moderate income households in D10.
NOR-CAL FDC - 11/13/2014 (Workforce Development Fund)	\$250,000	To create a revolving loan fund to assist owners of 10 D10-based licensed small construction companies acquire short-term, low interest rate financing and construction management assistance.

Implementation Committee Expenditures-continued

GRANTEE	AMOUNT	PURPOSE
SAN FRANCISCO HOUSING DEVELOPMENT CORPORATION 10/01/2015 (Community First Housing Fund)	\$238,000	To provide services to D10 renters to help slow the displacement of Black and Pacific Islander families from D10.
BAYVIEW HUNTERS POINT MULTIPURPOSE SENIOR SERVICES, INC. 12/01/2015 (Community First Housing Fund)	\$1,600,000	To Purchase and Hold the property located at 1676 Newcomb Avenue, San Francisco, CA 94124 on behalf of the Bayview Hunters Point Naval Shipyard CCBA Implementation Committee.
Proposed Workforce Development & Training Grant – Career Ladders & Advancement (Workforce Development Fund)	\$500K-\$600K PENDING	Three sectors: Hospitality -union wages, focus on move up, recruitment in D10 Healthcare – partnership with Kaiser, focus on move up, focus on current employees who live in D10 and eligible for move up with training Maritime – Merchant Seaman – new opportunity for San Francisco, let alone D10

Status Report

Phase 1 Program: Master Developer is required to provide a quarterly written status report to OCII and the CAC.

Phase 1 Update: This Community Benefits Report is through Q4 2016

THANK YOU

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FIVE POINT COMMUNITIES

Phase 2 Contractor Assistance Summary - 2014 through Q4 2016

Expenditure	CY			Grand Total
Cost Code	2014	2015	2016	
1300.2549 Local Facility Fee	127,281	182,048	198,295	507,624
8794.4 Contractor Assistance	183,943	155,487	137,500	476,931
8794.8 Mentorship Program	10,129	42,355	72,000	124,484
Grand Total	321,353	379,891	407,795	1,109,039

FIVE POINT COMMUNITIES

Contractor Assistance Summary - Inception through Q4 2016

Expenditure	CY							
Cost Code	2008	2009	2011	2013	2014	2015	2016	Grand
1300.2549 Local Facility Fee			1,686		127,281	182,048	198,295	
8794.4 Contractor Assistance	11,384			74,359	183,943	155,487	137,500	
8794.8 Mentorship Program		31,194			10,129	42,355	72,000	
Grand Total	11,384	31,194	1,686	74,359	321,353	379,891	407,795	1,

Certificate of Preference Holders Strongly Encouraged to Attend!
Come & Learn What You Need to do to **PREPARE** to Apply for this Amazing Opportunity!

You're invited to the
SF Shipyard
Affordable Homeownership Opportunities
Informational Session

Registration Updates:

Our October 20th 2016 date for the Shipyard has sold out. However, we have opened a waitlist on eventbrite and will accept walk-ins on the day of as long as space is available. We will begin taking walk-ins at 5:55pm!

Additional Orientation Dates:

For Nov 17th 2016 [CLICK HERE](#)

For January 19th 2017 [CLICK HERE](#)

***Registration opens for additional dates 2 weeks prior to the Session date**

**Space is limited, so please be on time or your seat will be released to another eager
future homeowner!
See you soon!**

Over the next 10-15 years, The San Francisco Shipyard will be building approximately 12,000 new homes where 30% of them will be affordable to ordinary working folks like us! This is very exciting considering the rise in the city's housing cost and the impacted need for



CAP MONTHLY REPORT

October 2016

FivePoint

Hunters Point Shipyard

CONSTRUCTION ASSISTANCE PROGRAM

La Shon A. Walker

Director of Community Affairs

FivePoint

One Sansome Street, Suite 3200

San Francisco, CA 94104

Sidney Martin

Contractor Liaison/Sr. Project Manager

HPS/Construction Assistance Program

690 Hudson Avenue, Trailer B

San Francisco, CA 94124



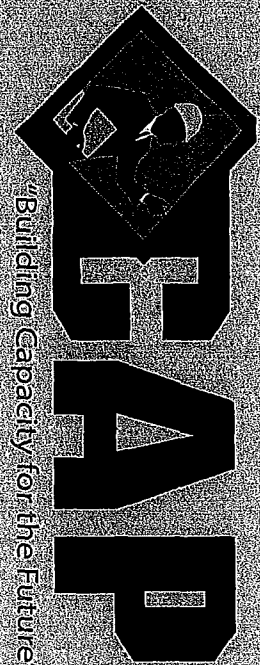
Monthly Service for HPS Construction Assistance Program Office

The HPS Construction Assistance Program (CAP) Office provided services for 7 contractors of which five made multiple drop-in visits, totaling 18 office visits in the month of October 2016 (see below). Services provided included: One-on-One meetings, emails, phone calls, business development workshops. Areas of interest included: new project plan drawings, digital takeoff and bid estimating software support / assistance, email-blast notification of Pre-Bid Conference, the release of new project plan drawings, specifications and addendums. We provided Business Financial Assistance and MLP loans information, email notification of new Business Development events and other business related services.

The following Contractors visited the Construction Assistance Program site office:

- ❖ (4) Meetings with Wil Carney of Carney's Plastering to give technical assistance with reviewing contract and financial assistant for Block 56
- ❖ (2) Met with Al Norman of Al Norman Mechanical for financial resources and follow-up with Bobby Jones of Jones Consulting for assistant.
- ❖ (4) Office visits from B. Carson of Carter's Construction for computer and fax use.
- ❖ (2) Met with Vernon Washington of Coast to Coast Drywall for technical assistance with bidding and estimating procedures.
- ❖ Met with Matthew Long of Longevity to discuss setting up One-on-One meetings with some of the Prime Contractors on the Shipyard projects.
- ❖ Met with Ken Carbin and Cornell Miller of CK Interiors to discuss results of Block 56/57, Building 1 & 2.
- ❖ (4) Office visits from Juarinton of Carter's Construction for computer and fax use.

The numbers in () indicate those Contractors, who visited the CAP office multiple times for assistance in the month of October 2016.



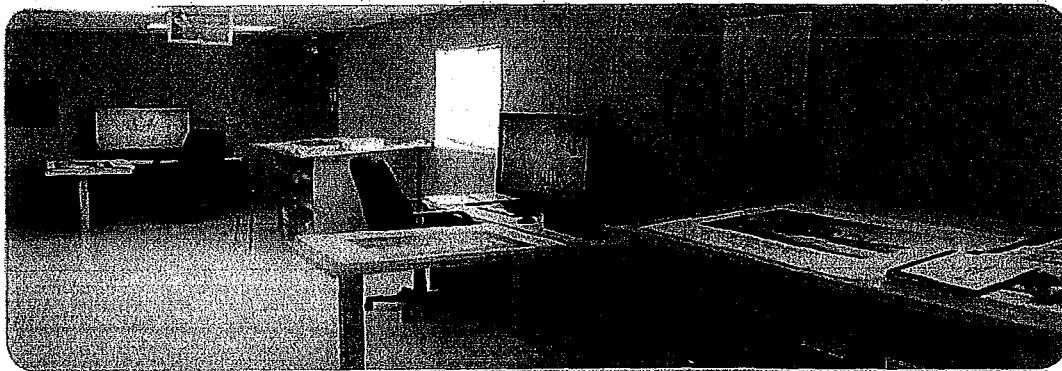


Construction Assistance Program Provided the Following Services: Bid Assistance/Outreach/Financial & Technical Assistance/Project Status

Bid Assistance/Outreach

RFP, PRE-BID Notification and Business Development Activities Outreach services provided to Local SBE Contractors and Suppliers

The Construction Assistance Program Office (CAP) continues to maintain an on-site plan room with current project plan drawings and specification manuals by providing both digital plan files and hard copy plan drawings. The CAP office will continue to send e-mail blasts to the impacted area contractors, suppliers, and vendors regarding upcoming FivePoint /BVHP Shipyard RFP's that are posted on the City's Bid and Contracts website for bidding opportunities. CAP provides LBE/DBE/SBE Certification information for local contractors to become certified with the City or State; Business Development Assistance with Surety-Bonding and Financial Assistance, and provide continuing education workshops and financial resources/or referrals to local Small Business Enterprise (SBE) contractors when needed. The CAP office continues to ask Developers, General Contractors/Estimators on other City projects to provide the CAP's office plan room, access to their project's plan drawings and specifications for posting to provide local SBE community contractors an opportunity to review and submit a bid proposal for those projects. The CAP office will follow up with outreach to local SBE contractors in the 94107, 94124, & 94134 zip code areas by sending an email blast of the Invitation to Bid, RFP or RFQ, Pre-Bid meeting's date & time and Bid Due date for those projects. The additional effort increases the local LBE/SBE contractors bidding opportunities outside of their community comfort zone, and the CP/HP Shipyard arena.





FINANCIAL & TECHNICAL ASSISTANCE ACTIVITIES

CAP Office Activity

The CAP office continues our efforts to set up "One-On-One" meetings between Prime Contractors or Large Infrastructure/Engineering contractors with local LBE/SBE contractors. These meetings help create opportunities for bidding partnerships. Typically, before a bid is awarded, the CAP office encourage larger contracting firms bidding on Candlestick Point and Hunters Point Shipyard projects to reach out to our pool of LBE/SBE contractors to include them as part of their bid proposal team. We encourage large contractors to include LBE/SBE contractors as second tier subcontractors and/or suppliers in their bid as part of their LBE/SBE "Good Faith Effort" participation.

CAP will continue to meet with local contractors who visited the CAP office for assistance, to review their company's business plan and assess whether the company has capacity to handle a project at this current time. If they are not ready or do not have the capital/ finances in place to get started, CAP will work to develop a business plan with the contractor to help elevate the firm's ability to bid, win and successfully completing contracts while making a profit.

CAP team member, Nor-Cal FDC, provides an assessment of LBE/SBE contractor capital needs and provides financial assistance to currently awarded LBE/SBE contractors on site. They also provide access to a Mobilization Loan Program (MLP) fund with a maximize loan amount not to exceed \$ 50,000. The Community Benefits Program (IC Fund) granted the first round of funding totaling \$250,000. To date a total of \$283,000 in loans have been provided to local SBE contractors with contracts on Hilltop - Phase 1 projects and Commercial Kitchen Replacement - Phase 2 project. There were no new loans this month, several projects have just starting.

Technical Assistance Meetings with New Contractors

There were no new contractors this month. Had two meetings with Professional Consultants.

10/26/16 Met with Maura Abernethy and Christopher Roach of Architectural Urbanism Design at the RGQ Pre-Bid Conference for Candlestick 11 A project. Provided them an overview of the CAP program and set up a meeting date for them to come to CAP office to discuss how CAP can help their firm win some projects.

10/26/16 Met with Tom Kostosky of San Francisco Housing Development Corp. to discuss how CAP could assist SFHDC with it outreach to local LBE's and SBE's for the Candlestick 11 A development. SFHDC and MERCY are the developers for 11 A and will need to go out in a few weeks with the RFP for Professional Consultants for Candlestick 11 A.



Workshops

There were no workshops in the month of October 2016.



HPSY Phase 1.pdf

Pre-Bids Conference

On October 26, 2016, there was a Pre-Bid Conference for the RFQ for Candlestick 11 A Development of 150 Affordable Housing units by development Joint Venture of San Francisco Housing Development Corp. (SFHDC) and MERCY. month of September 2016. The Request for Qualification of Professional Consultants in the discipline of Geotech, Construction Manager, Survey, Environmental, and Consultants of the Architect for MEPs, etc. MBE, WBE, LBE and SBE's were encourage to submit qualifications. The meeting was held at the office of OCII, 2nd floor conference room at One South Van Ness, San Francisco, 94103 at 10:00 am. The Bid Due date for this project is 11/14/16 at 2:00 pm.

CAP released an E-blast flyer on Constant Contact on Wednesday, 10/12/16 to local LBE and SBE Architects, Engineers, Construction Managers firms, Geotech and Environmental firms and Professional Consultant firms to attend the Pre-Bid Conference. (See the attach PDF file for the report)

CAP will continue to provide estimating, project management and business development workshops to enhance local contractor's skills on how to submit a competitive bid. CAP's staff will continue to outreach to contractors, professional Consulting firms and suppliers to encourage them to use the CAP's office Digital Takeoff and Bid Builders estimating software applications, workstations and plan room which give them access to plan drawings and digital plan files to prepare their bids proposals. Lennar Urban kindly provided Microsoft Project software to be installed into the CAP's office PC systems, which will allow contractors to create their construction project schedules when needed. This is just another tool that should help them sharpen their pencils to produce a successful bid proposal and make a profit.





PROJECT STATUS

Block 48 Activity

Block 48 called the Hillside Development starts its first phase of 6 to construct 404 homes on the Hillside project. Building O will be 2-story of Type VA construction over a concrete podium garage, with a landscaped roof deck. Building N1 will be 3-story of Type VA construction over a concrete podium garage. Buildings N2 and P will be entirely wood framed, consisting of 2-story townhomes over shared or private garages. There a total of 86 condominium dwelling units, with a landscaped courtyard between Blocks N1 and N2 and a landscaped driveway at Block P. Schedule to start construction in the 2017.

Block 49 Activity

The project is completed.

Blocks 50 & 51 Activity

Block 50 & 51 are completed.

Block 52 Activity

HPS Block 52, Building 5, is a five-story type-VA (Wood Frame) structure of 38 residential units, over a type 1A garage podium. Block 52, building 3, 4 and 5 were placed on hold.

Blocks 53-54 Activity

Blocks 53 & 54 is progressing. Al Norman Mechanical, a (Local SBE) is completing the final punch list for installation of the plumbing on Block 54. The Streetscape for the blocks surrounding the 11 buildings on Block 53 and 54 is being constructed by GECMS (Local SBE, see the CAP 2 TAP report.)

Block 55 West & East Activity

Hunter's Point Shipyard - Blocks 55E and 55W is to be constructed by Build Group Inc. The Project will be of Type VB construction, and consists of sixty-six (66) each, 3-story, wood framed dwelling units with roof decks and slab on grade. Each of the 66 units is a standalone residential unit with its own entrance and private garage. The 66 units are organized into seven (7) Clusters or Buildings. Each individual building will be permitted separately. Construction is anticipated to begin in 2017 and be completed in 14 months.

Block 56 & 57 Activity

This project includes the construction of 98 market rate residential condominiums (flats and two-story townhouses) consisting of four separate buildings. Cahill Contractors is the Prime Contractor. Carney's Plastering (Local LBE) has started the plastering on Block 56, Building 4. Buildings 1 & 2 on Block 57 B started construction and are currently building Levels 2, 3 and 4 on both buildings.



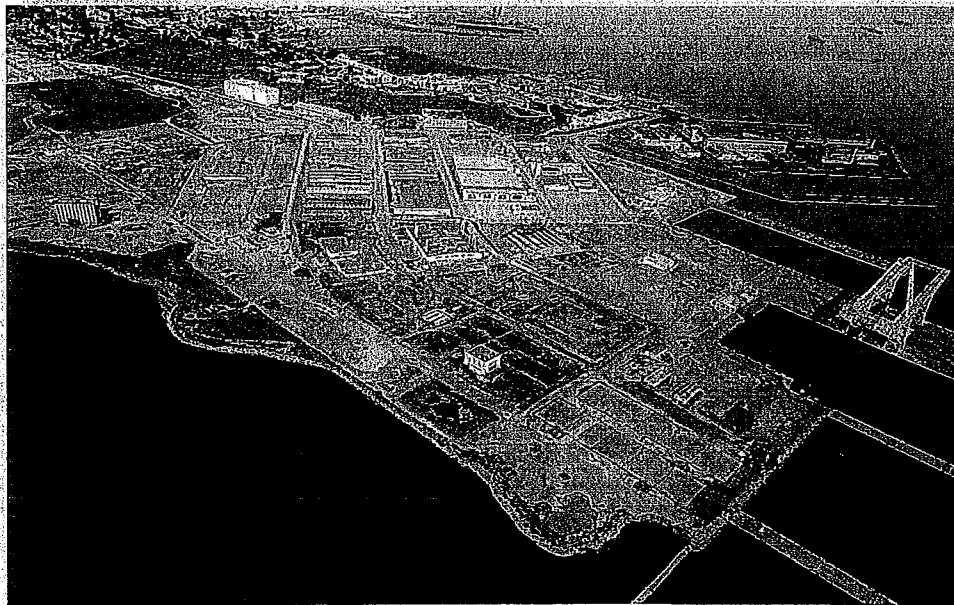
PROJECT STATUS continue,

Hilltop Pocket Park 15 & 16 Activity

Pocket Parks 15 and 16 are complete.

Hilltop Regional Park Activity

Anvil Builders (Local SBE) have completed the construction of Hilltop Regional Park located on the East side of Hilltop Phase 1 development between Block 56, Building 4 and Block 57 A, Building 3. Azul Works, (Local SBE) was a subcontractor to Anvil Builders. The "Overlook" concrete platform and pathway entrance are in front Block 57 A in the Innes Court Park and playground area. The "Overlook Platform" gives you a great view of the East Bay and the rest of the Shipyard site.



Shipyard 2016

The Construction Assistance Program's Office was open in August 2013, currently now in the fourth month of 2016-2017 contract year. This report covers 31 days in the month of October 2016.



CAP MONTHLY REPORT

November 2016

FivePoint

Hunters Point Shipyard

CONSTRUCTION ASSISTANCE PROGRAM

La Shon A. Walker

Director of Community Affairs

FivePoint

One Sansome Street, Suite 3200

San Francisco, CA 94104

Sidney Martin

Contractor Liaison/Sr. Project Manager

HPS/Construction Assistance Program

690 Hudson Avenue, Trailer B

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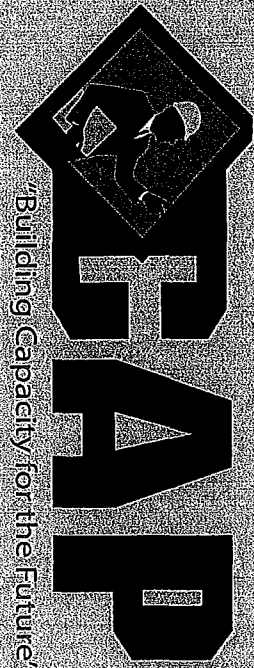
Monthly Service for HPS Construction Assistance Program Office

The HPS Construction Assistance Program (CAP) Office provided services for 8 contractors – with four contractors making multiple drop-in visits – totaling 17 office visits in the month of November 2016 (see below). Services provided included: One-on-One meetings, emails, phone calls, business development workshops. Areas of interest included: new project plan drawings; digital takeoff and bid estimating software support/assistance, email-blast notification of Pre-Bid Conference, the release of new project plan drawings, specifications and addendums. We provided Business Financial Assistance and MLP loans information, email notification of new Business Development events and other business related services.

The following Contractors visited the Construction Assistance Program site office:

- ❖ Met with Ashley Rhodes of ARP Painting to give technical assistance with downloading digital plan files for Block 55.
- ❖ Met with Alex Jones of Three Brothers Electric for technical assistance and update on upcoming electrical contracts.
- ❖ (3) Office visits from Juarinton of Carter's Construction for computer and fax use.
- ❖ Met with Devyn Gortner, a prospective home buyer that wanted to review the environmental impact studies binder reports.
- ❖ Met with Vernon Washington of Coast to Coast Drywall for technical assistance with bidding and estimating procedures.
- ❖ (4) Meetings with Wil Carney of Carney's Plastering to give technical assistance with reviewing contract and financial assistant for Block 56
- ❖ (3) Office visits from B. Carson of Carter's Construction for computer and fax use.
- ❖ Met with Ken Carbin and Cornell Miller of CK Interiors to discuss results of Block 56/57, Building 1 & 2 and upcoming insulation projects.
- ❖ (2) Met with Eric Jones of On the Level Concrete to discuss and review his contract for site concrete with Cahill on Block 56/57.
- ❖ Met with Al Norman of Al Norman Mechanical for financial resources and follow-up with locating additional financial assistant.

The numbers in () indicate those Contractors, who visited the CAP office multiple times for assistance in the month of November 2016.



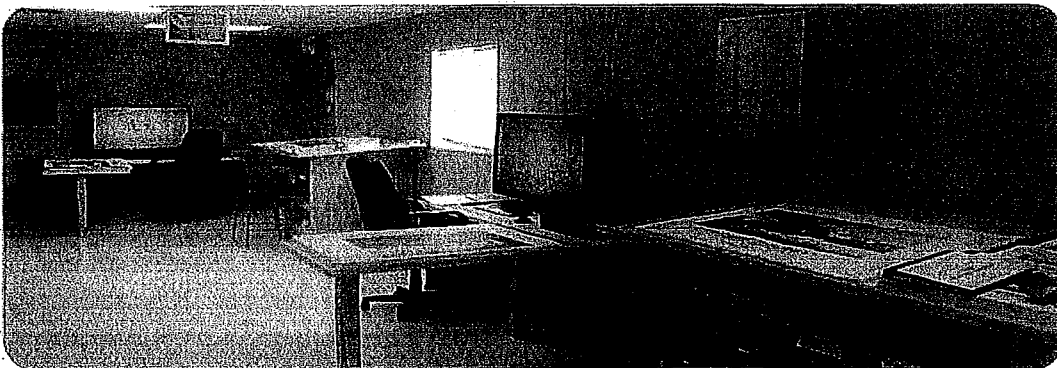


Construction Assistance Program Provided the Following Services: Bid Assistance/Outreach/Financial & Technical Assistance/Project Status

Bid Assistance/Outreach

RFP, PRE-BID Notification and Business Development Activities Outreach services provided to Local SBE Contractors and Suppliers

The Construction Assistance Program Office (CAP) continues to maintain an on-site plan room with current project plan drawings and specification manuals by providing both digital plan files and hard copy plan drawings. The CAP office will continue to send e-mail blasts to the impacted area contractors, suppliers, and vendors regarding upcoming FivePoint /BVHP Shipyard RFP/RFQ's that are posted on the City's Bid and Contracts website for bidding opportunities. CAP provides LBE/DBE/SBE Certification information for local contractors to become certified with the City or State; Business Development Assistance with Surety-Bonding and Financial Assistance, and provide continuing education workshops and financial resources/or referrals to local Small Business Enterprise (SBE) contractors when needed. The CAP office continues to ask Developers, General Contractors/Estimators on other City projects to provide the CAP's office plan room, access to their project's plan drawings and specifications for posting to provide local SBE community contractors an opportunity to review and submit a bid proposal for those projects. The CAP office will follow up with outreach to local SBE contractors in the 94107, 94124, & 94134 zip code areas by sending an email blast of the Invitation to Bid, RFP or RFQ, Pre-Bid meeting's date & time and Bid Due date for those projects. The additional effort increases the local LBE/SBE contractors bidding opportunities outside of their community comfort zone, and the CP/HP Shipyard arena:





FINANCIAL & TECHNICAL ASSISTANCE ACTIVITIES

CAP Office Activity

The CAP office continues our efforts to set up "One-On-One" meetings between Prime Contractors or Large Infrastructure/Engineering contractors with local LBE/SBE contractors. These meetings help create opportunities for bidding partnerships. Typically, before a bid is awarded, the CAP office encourages larger contracting firms bidding on Candlestick Point and Hunters Point Shipyard projects to reach out to our pool of LBE/SBE contractors to include them as part of their bid proposal team. We encourage large contractors to include LBE/SBE contractors as second tier subcontractors and/or suppliers in their bid as part of their LBE/SBE "Good Faith Effort" participation.

CAP will continue to meet with local contractors who visited the CAP office for assistance, to review their company's business plan and assess whether the company has capacity to handle a project at this current time. If they are not ready or do not have the capital/ finances in place to get started, CAP will work to develop a business plan with the contractor to help elevate the firm's ability to bid, win and successfully completing contracts while making a profit.

CAP team member, Nor-Cal FDC, provides an assessment of LBE/SBE contractor capital needs and provides financial assistance to currently awarded LBE/SBE contractors on site. They also provide access to a Mobilization Loan Program (MLP) fund with a maximize loan amount not to exceed \$ 50,000. The Community Benefits Program (IC Fund) granted the first round of funding totaling \$250,000. To date a total of \$333,000 in loans have been provided to local SBE contractors with contracts on Hilltop - Phase 1 projects and Commercial Kitchen Replacement - Phase 2 project. There was one new loan this month giving to Carter's Construction on the Commercial Kitchen project for \$ 50,000.

Technical Assistance Meetings with New Contractors

There were no new contractors this month. Had meetings with two newly awarded local LBE Contractors.

11/07/16 Met with Wil Carney of Carney's Plastering, who was awarded a plastering contract on Block 56, Building 4. CAP prepared a MLP loan application for Mr. Carney to mobilize his workforce on the project and was approved for \$ 8,000.00. After advising Mr. Carney to sit down with the Plastering Union and his Prime Contractor Cahill Contractors, Mr. Carney was able to resolve a small issue and man the job. CAP is holding his approve loan application in case he will need it later in the project.

11/29/16 Met with Vernon Washington of Coast to Coast Drywall to discuss assisting his firm to bid more drywall projects. CAP assisted Mr. Washington with a meeting with Cahill Contractors and they awarded his firm with a drywall contract on a rehab housing project in the community. CAP is assisting Mr. Washington with learning our Digital Takeoff and Bid Builders software application to prepare him for upcoming drywall package on Candlestick Point housing units.



Workshops



CAP held its 4th annual "Suppliers, Meet and Greet" on November 3, 2016 from 4:30 – 6:30 pm. This event was held at 451 Galvez Ave., SF 94124 in the Frogg Building. There were 7 guest speakers consisting of prime Contractors, Developers and City Agency. Cahill Contractors, Clark /Mortenson Construction, TrueBeck, BuildGroup, Tenderloin Neighborhood Development, SFHDC, Suffolk Construction, Bruk Solomon and Maria Pecot of OCII to talk about local SBE and Suppliers policy. We introductions and each PC talked about their project and supplier's opportunities they had to offer and the developers talked about their projects which are in the design phase and how the suppliers may have an opportunity to supply input as to how their product could be used on developer's projects and design.

Pre-Bids Conference



There was a Pre-Bid Conference for Candlestick Point North Block 10 A held at 1 South Van Ness at Market St., second floor, SF, CA 94103 on November 16, 2016 at 10:00 am. Tenderloin Neighborhood Development Corp. is in a joint venture with Young Community Developers to build 140 residential low-income units of 126 apartments, 14 townhouses and 84 parking spaces. The RFQ was released to seek firms interested in providing Architecture, Engineering and Professional Consultant services in the design of the project.

CAP will continue to provide estimating, project management and business development workshops to enhance local contractor's skills on how to submit a competitive bid. CAP's staff will continue to outreach to contractors, professional Consulting firms and suppliers to encourage them to use the CAP's office Digital Takeoff and Bid Builders estimating software applications, workstations and plan room which give them access to plan drawings and digital plan files to prepare their bids proposals. Lennar Urban kindly provided Microsoft Project software to be installed into the CAP's office PC systems, which will allow contractors to create their construction project schedules when needed. This is just another tool that should help them sharpen their pencils to produce a successful bid proposal and make profits.



PROJECT STATUS

Block 48 Activity

Block 48, also called the Hillside Development is the first phase of 6 to construct 404 homes on the Hillside project site. Building O will be 2-story of Type VA construction over a concrete podium garage, with a landscaped roof deck. Building N1 will be 3-story of Type VA construction over a concrete podium garage. Buildings N2 and P will be entirely wood framed, consisting of 2-story townhomes over shared or private garages. There a total of 86 condominium dwelling units, with a landscaped courtyard between Blocks N1 and N2 and a landscaped driveway at Block P. Schedule to start construction in the 2017 midway between the completion of the Hillside Infrastructure phase of the project.

Block 49 Activity

The project is completed.

Blocks 50 & 51 Activity

Block 50 & 51 are completed.

Block 52 Activity

HPS Block 52, Building 5, is a five-story type-VA (Wood Frame) structure of 38 residential units, over a type 1A garage podium. Block 52, building 3, 4 and 5 were placed on hold for now.

Blocks 53-54 Activity

Blocks 53 & 54 is progressing. Al Norman Mechanical, a (Local SBE) is completing the final punch list for installation of the plumbing on Block 54. The Streetscape for the blocks surrounding the 11 buildings on Block 53 and 54 is being constructed by GECMS (Local SBE, see the CAP 2 TAP report.)

Block 55 West & East Activity

Hunter's Point Shipyard - Blocks 55E and 55W is to be constructed by Build Group Inc. The Project will be of Type VB construction, and consists of sixty-six (66) each, 3-story, wood framed dwelling units with roof decks and slab on grade. Each of the 66 units is a standalone residential unit with its own entrance and private garage. The 66 units are organized into seven (7) Clusters or Buildings. Each individual building will be permitted separately. Construction is anticipated to begin in 2017 and be completed in 14 months.



Block 56 & 57 Activity

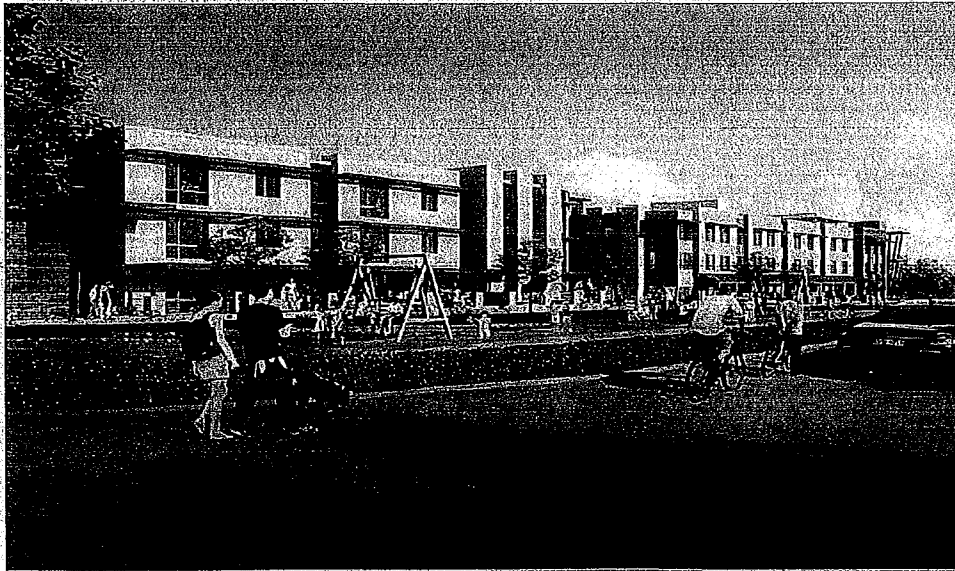
This project includes the construction of 98 market rate residential condominiums (flats and two-story townhouses) consisting of four separate buildings. Cahill Contractors is the Prime Contractor. Carney's Plastering (Local LBE) has started the plastering on Block 57, Building 3. Buildings 1 & 2 on Block 57 B has started construction and are currently building Levels 2, 3 and 4 on both buildings.

Hilltop Pocket Park 15 & 16 Activity

Pocket Parks 15 and 16 are complete.

Hilltop Regional Park Activity

Anvil Builders (Local SBE) have completed the construction of Hilltop Regional Park located on the East side of Hilltop Phase 1 development between Block 56, Building 4 and Block 57 A, Building 3. Azul Works, (Local SBE) was a subcontractor to Anvil Builders. The "Overlook" concrete platform and pathway entrance are in front Block 57 A in the Innes Court Park and playground area. The "Overlook Platform" gives you a great view of the East Bay and the rest of the Shipyard site.



Block 56 & 57 (2016)

The Construction Assistance Program's Office was open in August 2013, currently now in the fifth month of 2016-2017 contract year. This report covers 30 days in the month of November 2016.



CAP MONTHLY REPORT

December 2016

FivePoint

Hunters Point Shipyard

CONSTRUCTION ASSISTANCE PROGRAM

La Shon A. Walker

Director of Community Affairs

FivePoint

One Sansome Street, Suite 3200

San Francisco, CA 94104

Sidney Martin

Contractor Liaison/Sr. Project Manager

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690 Hudson Avenue, Trailer B

San Francisco, CA 94124



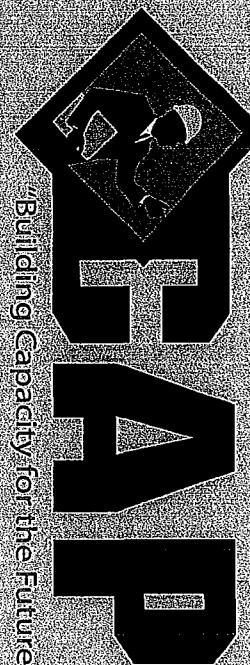
Monthly Service for HPS Construction Assistance Program Office

The HPS Construction Assistance Program (CAP) Office provided services for 5 contractors – with three contractors making multiple drop-in visits – totaling 13 office visits in the month of December 2016 (see below). Services provided included: One-on-One meetings, emails, phone calls, business development workshops. Areas of interest included: new project plan drawings, digital takeoff and bid estimating software support/assistance, email-blast notification of Pre-Bid Conference, the release of new project plan drawings, specifications and addendums. We provided Business Financial Assistance and MLP loans information, email notification of new Business Development events and other business related services.

The following Contractors visited the Construction Assistance Program site office:

- ❖ Met with Michael Smith of Vizcon Construction to give an overview of the CAP program and update of the upcoming projects to his 4 partners.
- ❖ (4) Office visits from B. Carson of Carter's Construction for computer and fax use.
- ❖ (2) Meetings with Wil Carney of Carney's Plastering to give technical assistance with digital takeoff of plan drawings for Block 57 A, Building 3
- ❖ (4) Office visits from Juarinton Carter of Carter's Construction for computer and fax use.
- ❖ Met with Ken Carbin and Cornell Miller of CK Interiors with technical assistance on preparing contract language in a bid proposal.
- ❖ Met with Derek Smith of Marinship Development to give update of the upcoming projects.

The numbers in () indicate those Contractors, who visited the CAP office multiple times for assistance in the month of December 2016.





Construction Assistance Program Provided the Following Services: Bid Assistance/Outreach/Financial & Technical Assistance/Project Status

Bid Assistance/Outreach

RFP, PRE-BID Notification and Business Development Activities Outreach services provided to Local SBE Contractors and Suppliers

The CAP continues to maintain an on-site plan room with current project's plan drawings and specification manuals by providing both digital plan files and hard copy plan drawings. The CAP office will continue to send e-mail blasts to the impacted area contractors, suppliers, and vendors regarding upcoming FivePoint /BVHP Shipyard RFP/RFQ's that are posted on the City's Bid and Contracts website for bidding opportunities. CAP provides LBE/DBE/SBE Certification information for local contractors to become certified with the City or State; Business Development Assistance with Surety-Bonding and Financial Assistance, and provide continuing education workshops and financial resources/or referrals to local Small Business Enterprise (SBE) contractors when needed. The CAP office continues to ask Developers, General Contractors/Estimators on other City projects to provide the CAP's office plan room, access to their project's plan drawings and specifications for posting to provide local SBE community contractors an opportunity to review and submit a bid proposal for those projects. The CAP office will follow up with outreach to local SBE contractors in the 94107, 94124, & 94134 zip code areas by sending an email blast of the Invitation to Bid, RFP or RFQ, Pre-Bid meeting's date & time and Bid Due date for those projects. The additional effort increases the local LBE/SBE contractors bidding opportunities outside of their community comfort zone, and the CP/HP Shipyard arena.





FINANCIAL & TECHNICAL ASSISTANCE ACTIVITIES

CAP Office Activity

The CAP office continues our efforts to set up "One-On-One" meetings between Prime Contractors or Large Infrastructure/Engineering contractors with local LBE/SBE contractors. These meetings help create opportunities for bidding partnerships. Typically, before a bid is awarded, the CAP office encourages larger contracting firms bidding on Candlestick Point and Hunters Point Shipyard projects to reach out to the pool of LBE/SBE contractors to include them as part of their bid proposal team. We encourage large contractors to include LBE/SBE contractors as second tier subcontractors and/or suppliers in their bid as part of their LBE/SBE "Good Faith Effort" participation.

CAP will continue to meet with local contractors who visited the CAP office for assistance, to review their company's business plan and assess whether the company has capacity to handle a project at this current time. If they are not ready or do not have the capital/ finances in place to get started, CAP will work to develop a business plan with the contractor to help elevate the firm's ability to bid, win and successfully completing contracts while making a profit.

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Technical Assistance Meetings with New Contractors

There was one new contractor this month.

12/08/16 Met with Mitchell Smith and his 4 business partners for Vizcon Construction to discuss assisting his firm to bid on flooring, exteriors and interiors finishes contracts. CAP will assist Mr. Smith with getting his firm certified as a LBE contractor with CMD and the City. Gave Mr. Smith and his partners some business development tasks to complete while they outline upcoming projects in the next few months to start on Candlestick Point development and in the City, like the new "Warriors Complex".

Workshops

There was no workshops this month.



Pre-Bids Conference

There was no Pre-Bids Conference on the Shipyard /Candlestick Point Projects this month.

12/01/16 CAP called ten contractors and gave them the information to the "Invitation to Bidders" notice of a project job site walk for the "Goodwill Site/1500 Mission Street". Notice to Construction Equipment Suppliers and General Services Firms to walk the construction of the Mixed-Use Development including Residential/ Retail and Office/ Permit Center Request for Proposal (RFP) – Formwork, Concrete Supply, Shotcrete, Concrete Placement/Finish, Rebar, Shoring, Excavation, Demolition and Abatement. This project is being issued by **RELATED** Rep. Harold Hill – hhill@related.com and Jimmy Hewitt – james.hewitt@sfgov.org. This is not a Lennar Urban – FivePoint Shipyard/Candlestick Point project, but it is a large city project that if any of the local contractors are awarded contracts on this project, it could lead to more city projects coming up in 2017-2018 calendar. For additional information please go to <http://mission.sfgov.org/OCABidPublication/BidDetail.aspx?K=11399>

12/01/16 Posted the RFP – Invitation to Bidders notice of a Pre-Bid for the Eddy and Taylor Street project by Cahill Contractors. This project is an 8 story + mezzanine, slab-on-grade, post-tension concrete building. Construction of 113 units with landscaping and hardscape scope of work. Contact was H. Taz Kim – tkim@cahill-sf.com. Cahill works with well with local contractors and anytime CAP send local contractors to Cahill's projects some of the firms were awarded contracts.

Community Outreach

Holiday Toy Drive for BVHP

12/09/16 The week of December 9, 2016, Butler Enterprise Group, LLC (BE Group)/CAP raised with the help from some local contractors \$ 1,800 for the HG "Toy Giveaway" event in BayView Hunters Point. On Thursday December 8, 2016 with the donations received, BE Group/CAP went out to Toys R Us, Wal-Mart and Walgreens to purchase some 300 toys for the event. The event presented by Dr. Hunnicutt's organization HG, Inc. was held on Friday December 9, 2016 from 6:00 – 9:00 pm at the Joe Lee Gym, a community center in the BayView community. There was around 70 kids and parents in attendance. Mr. Derf Butler from BE Group played "Santa Claus" and the kids loved seeing a black Santa. The remaining toys was donated to the Marine's "Toy for Tots" program in the name of BE Group/CAP Sr. Project Manager's wife Jimmie McCoy, who was in the Marines and had passed away on July 4, 2016. The toy giveaway was a success in part to the generous donations from Design Electric, De Haro Ramirez, DeSilva Gates and Spencer Masonry. ECOBAY gave a separate donation and helped sponsor the event.

CAP will continue to provide estimating, project management and business development workshops to enhance local contractor's skills on how to submit a competitive bid. CAP's staff will continue to outreach to contractors, professional Consulting firms and suppliers to encourage them to use the CAP's office Digital Takeoff and Bid Builders estimating software applications, workstations and plan room which give them access to plan drawings and digital plan files to prepare their bids proposals. Lennar Urban kindly provided Microsoft Project software to be installed into the CAP's office PC systems, which will allow



contractors to create their construction project schedules when needed. This is just another tool that should help them sharpen their pencils to produce a successful bid proposal and make profits.

PROJECT STATUS

Block 48 Activity

Block 48, also called the Hillside Development is the first phase of 6 to construct 404 homes on the Hillside project site. Building O will be 2-story of Type VA construction over a concrete podium garage, with a landscaped roof deck. Building N1 will be 3-story of Type VA construction over a concrete podium garage. Buildings N2 and P will be entirely wood framed, consisting of 2-story townhomes over shared or private garages. There a total of 86 condominium dwelling units, with a landscaped courtyard between Blocks N1 and N2 and a landscaped driveway at Block P. Schedule to start construction in 2017 midway between the completion of the Hillside Infrastructure phase of the project. Hillside Infrastructure phase is still waiting on the City's construction permits.

Block 49 Activity

The project is completed.

Blocks 50 & 51 Activity

Block 50 & 51 are completed.

Block 52 Activity

HPS Block 52, Building 5, is a five-story type-VA (Wood Frame) structure of 38 residential units, over a type 1A garage podium. Block 52, building 3, 4 and 5 are still on hold for now waiting for re-design.

Blocks 53-54 Activity

Blocks 53 & 54 is progressing. Al Norman Mechanical, a (Local SBE) is completing the final punch list for installation of the plumbing on Block 54. The Streetscape for the blocks surrounding the 11 buildings on Block 53 and 54 is being constructed by GECMS (Local SBE, see the CAP 2 TAP report for this activity.)

Block 55 West & East Activity

Hunter's Point Shipyard - Blocks 55E and 55W is to be constructed by Build Group Inc. The Project will be of Type VB construction, and consists of sixty-six (66) each, 3-story, wood-framed dwelling units with roof decks and slab on grade. Each of the 66 units is a standalone residential unit with its own entrance and private garage. The 66 units are organized into seven (7) Clusters or Buildings. Each individual building will be permitted separately. Construction is anticipated to begin in 2017 and be completed in 14 months.



Block 56 & 57 Activity

This project includes the construction of 98 market rate residential condominiums (flats and two-story townhouses) consisting of four separate buildings. Cahill Contractors is the Prime Contractor. Carney's Plastering (Local LBE) is installing the plastering on Block 57 A, Building 3. Buildings 1 & 2 on Block 57 B has started construction and Cahill is currently building Levels 2, 3 and 4 on both buildings.

Hilltop Pocket Park 15 & 16 Activity

Pocket Parks 15 and 16 are complete.

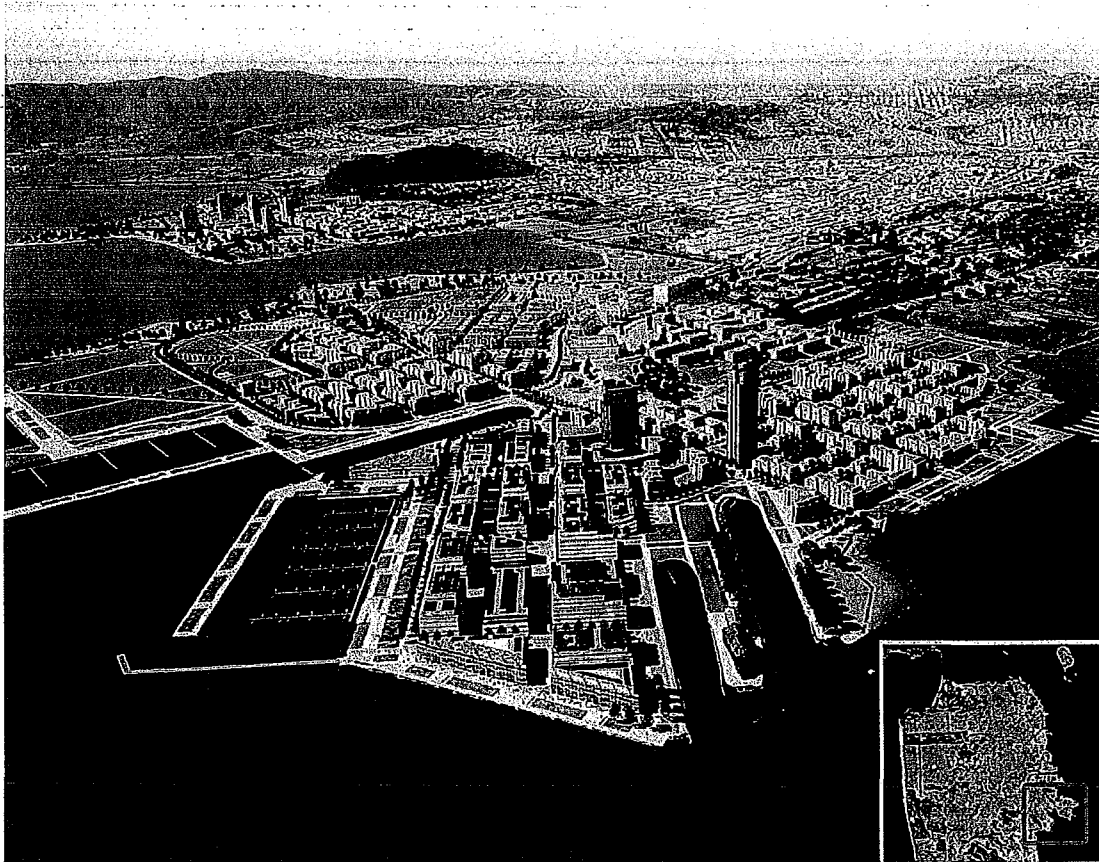
Hilltop Regional Park Activity

Anvil Builders (Local SBE) have completed the construction of Hilltop Regional Park located on the East side of Hilltop Phase 1 development between Block 56, Building 4 and Block 57 A, Building 3. Azul Works, (Local SBE) was a subcontractor to Anvil Builders. The "Overlook" concrete platform and pathway entrance are in front Block 57 A in the Innes Court Park and playground area. The "Overlook Platform" gives you a great view of the East Bay and the rest of the Shipyard site.



Block 57 A – Building 3

The CAP Office was opened in August 2013 and is currently in the sixth month of our 2016-2017 contract year. This report covers the 31 days of December 2016.



**CONSTRUCTION ASSISTANCE PROGRAM - 2 (CAP 2)
CANDLESTICK POINT / HUNTERS POINT SHIPYARD PHASE II
OCTOBER 2016 MONTHLY REPORT**

La Shon A. Walker
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CONSTRUCTION ASSISTANCE PROGRAM - 2 (CAP 2)

CANDLESTICK POINT / HUNTERS POINT SHIPYARD PHASE II

Introduction

The Construction Assistance Program - 2 (CAP 2) is a community benefit negotiated by FivePoint (Formally Lennar Urban) and the Bayview-Hunters Point (BVHP) Community. FivePoint is the developer of the Candlestick Point and Hunters Point Shipyard Phase II (CPHPS) Development Projects. The Construction Assistance Program's main objective is to encourage local SBE/LBE contractors and suppliers in the Bayview-Hunters Point (BVHP) Community to engage in the construction opportunities on the (CPHPS) Phase II Development Projects.

The following are services provided to SBE/LBE contractors and SBE/LBE trucking subcontractors under the CAP 2 Program:

I. Outreach

CAP 2 coordinates and executes all outreach meetings to maximize participation and increase bid opportunities for the impacted local area contractors to perform work on both horizontal and vertical construction projects for CPHPS Phase II development.

II. Workshops

CAP 2 is committed to keeping the businesses we serve informed, educated, and current on legislation, industry standards and technical software that helps them continue to be competitive and successful.

III. Technical Assistance

The CAP 2 program assists SBE/LBE contractors in the BVHP Community with technical support such as prequalification, construction software technology training, business development training, bid proposal preparation and assistance in securing financing.

IV. TRUCKING ADMINISTRATION PROGRAM

The Trucking Administration Program (TAP) has developed a unique Small Business Trucking Program Management System that culminates in the use of our Trucking Off-Haul Participation Plan and Trucking Compliance Monitoring Program. CAP 2 provides targeted outreach to Bayview/Hunters Point (94124, 94134, and 94107) owner operators and trucking companies to assure that project general contractors put forth a good faith effort to achieve the required participation goal for local subcontractor participation.

All Contractors, Subcontractors and their 2nd tier subcontractors shall use the services of the Trucking Program Administrator to provide the hauling services for this contract.

The Administrator utilized the Trucking Referral Procedures outlined below:

1. The Contractor shall request trucking referral services via E-mail, by 1:30 pm, the day before the required time of referral.
2. Once the Administrator receives the E-mailed trucking requisition form from the contractor, he or she will go to the list and call the trucking companies in the following order:
 - Owner Operators in the Bay View/Hunters Point Area
 - Owner Operators in San Francisco
 - Companies with drivers in the Bay View/Hunters Point Area
 - Companies with drivers in San Francisco
 - Companies outside the City and County of San Francisco
3. The Administrator will then provide the contractor/subcontractor with a confirmation E-mail within two hours of receiving the requisition form.

TRUCKING ADMINISTRATION PROGRAM

The Trucking Administration Program (TAP) continues to exceed expectations, meet the demand for quality service and provides professional local SBE trucking services. CAP 2 utilized the TAP program on the following projects:

1. CP-01 INFRASTRUCTURE

Contractors: Ghilotti Brothers Inc. / Anvil Builders Joint Venture

2. HPS PHASE 1 STREETScape HILLTOP

Contractor: GECMS / McGuire and Hester Joint Venture

3. HPS PHASE 2 COMMERCIAL KITCHEN

Contractor: Carter's Construction

4. CP- 02, 03, 04 DEMOLITION, MASS GRADING AND SURCHARGE/ WET UTILITIES

Contractor: DeSilva Gates Construction

Subcontractor: D.W. Young Construction

5. HPS PHASE 2 ARTIST PARCEL INFRASTRUCTURE

Contractor: Carter's Construction

**The total trucking participation for all active projects in
October 2016 is as follows:**

BAYVIEW/HUNTERS POINT OWNER OPERATORS - 0%

SAN FRANCISCO OWNER OPERATOR - 0%

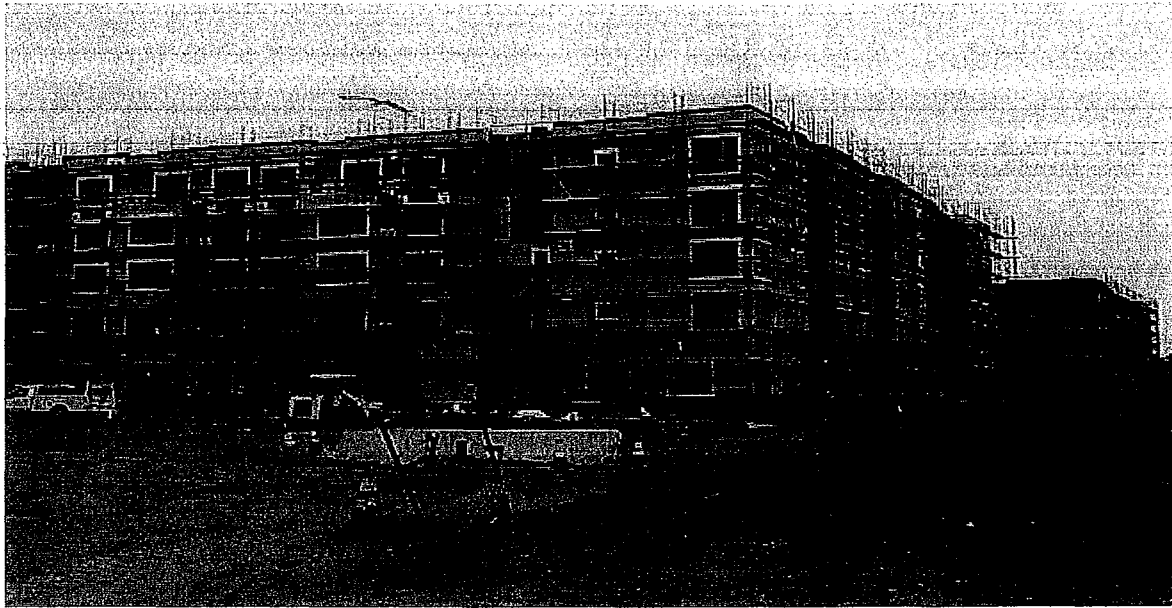
BAYVIEW/HUNTERS POINT TRUCKING COMPANIES - 100%

TRUCKING COMPANIES SAN FRANCISCO - 0%

OUTSIDE OWNER OPERATORS & TRUCKING COMPANIES - 0%

Total of 15 trucks and 120 Loads

TRUCKING PARTICIPATION BY PROJECT



1. CP-01 INFRASTRUCTURE

Contractors: Ghilotti Brothers Inc. / Anvil Builders Joint Venture

In the month of October 2016, Ghilotti Brothers Inc., as part of a joint venture with Anvil Builders, utilized the services of Eighteen Trucking for the transfer of dirt from the CP-01 job-site located at Gilman Avenue and Arelious Walker Drive to Candlestick Park. The chart below shows the summarized trucking activity for this project.

Subcontractor	Location	Type of Vehicles	Vehicles Requested
Eighteen Trucking	Bayview	Transfer trucks	2
Eighteen Trucking	Bayview	Ten Wheel trucks	2
Eighteen Trucking	Bayview	Super Dump trucks	2
Total trucks			6

**BAYVIEW TRUCKING COMPANIES 100%
TOTALING 6 TRUCKS – 48 LOADS**



2. HPS PHASE 1 STREETSCAPE HILLTOP

Contractor: GECMS / McGuire and Hester Joint Venture

In the month of October 2016, GECMS / McGuire and Hester Joint Venture did not utilize the services of the Trucking Administration Program onto the HPS1 job-site located at Friedell Street and Hudson Ave.

The chart below shows no trucking activity for this project:

Subcontractor	Location	Type of Vehicles	# Vehicles Requested
None			0
Total Trucks			0

BAYVIEW TRUCKING COMPANIES 0%
TOTALING 0 TRUCKS – 0 LOADS



3. HPS PHASE 2 COMMERCIAL KITCHEN

Contractor: Carter's Construction

In the month of October 2016, Carter's Construction did not require the services of the Trucking Administration Program for the HPS Phase 2 Commercial Kitchen job-site located at Galvez Avenue and Robinson Street.

The chart below shows no trucking activity for this project.

Subcontractor	Location	Type of Vehicles	# Vehicles Requested
None			0
Total Trucks			0

BAYVIEW TRUCKING COMPANIES 0%
TOTALING 0 TRUCKS – 0 LOADS



4. CP - 02, 03, 04 DEMOLITION, MASS GRADING & SURCHARGE

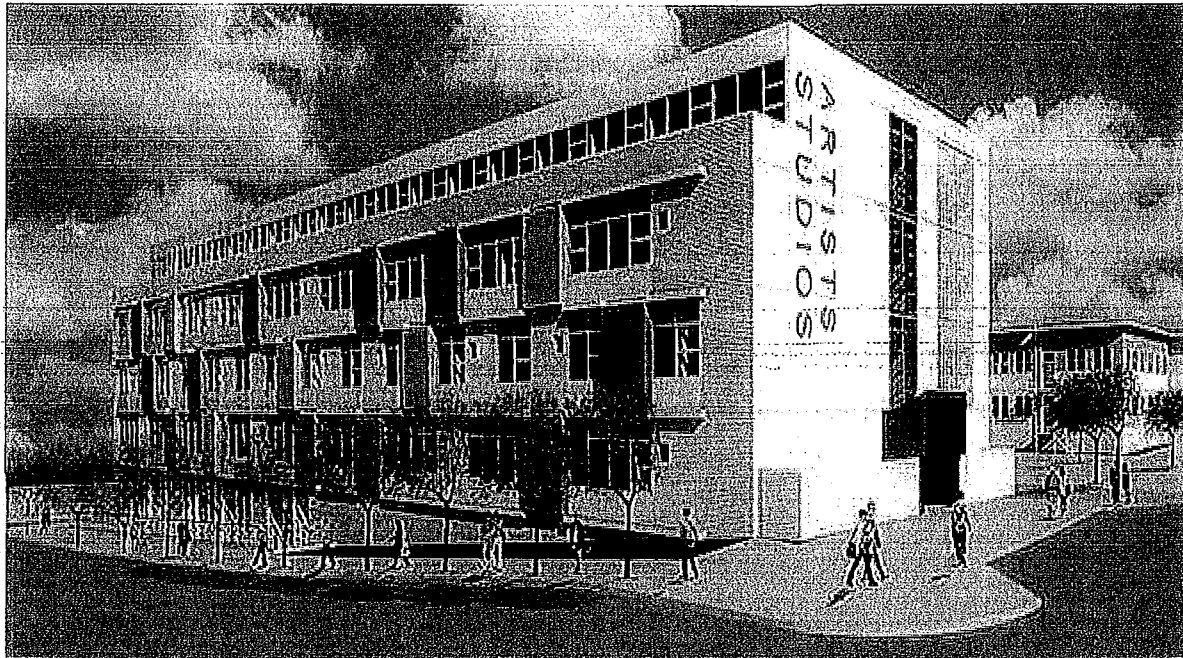
Contractor: D. W. Young Construction sub to DeSilva Gates Construction

In the month of October 2016, D. W. Young Construction requested from the Trucking Administration Program a referral for local SBE truckers. They utilized the **(18 Trucking Co.)** to import ½" x ¼" crushed rock from DeSilva Gates Aggregates in Sunol, CA to the CP - 02, 03, 04 Wet Utilities Project job site located on the previous site of Candlestick Park Stadium.

The chart below shows the summarized trucking activity for this project.

Subcontractor	Location	Type of Vehicles	# Vehicles Requested
Eighteen Trucking	Bayview	Transfer Trucks	9
TOTAL			9

**BAYVIEW TRUCKING COMPANIES 100%
TOTALING 9 TRUCKS – 72 LOADS**



5. HPS PHASE 1 ARTIST PARCEL INFRASTRUCTURE

Contractor: Carter's Construction

In the month of October 2016, Carter's Construction did not require the services of the Trucking Administration Program at the Artist Parcel Infrastructure job-site located at Galvez Avenue and Horne Avenue. Carter Construction used sub-contractor Azul Works for street sweeping service.

The chart below shows no trucking activity for this project.

Subcontractor	Location	Type of Vehicles	# Vehicles Requested
None			0
TOTAL			0

BAYVIEW TRUCKING COMPANIES 0%
TOTALING 0 TRUCK – 0 LOADS

WORKSHOPS AND INFORMATIONAL MEETINGS:

There were no Workshops or Informational Meetings in the month of October 2016.

PRE-BID CONFERENCES

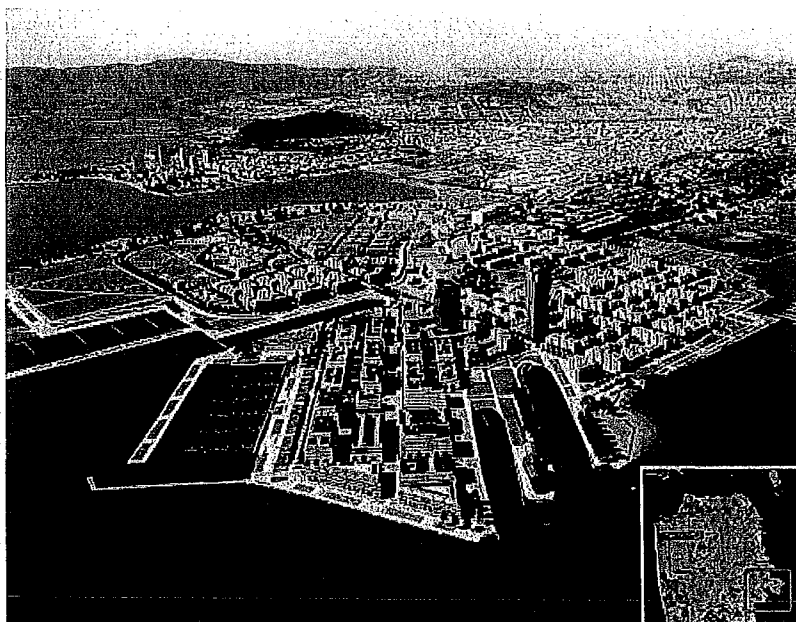
There were no Pre-Bid Conferences in the month of October 2016.

COMMENTS:

Trucking activity is expected to increase in the coming months due to the expected requirement for trucking off haul on the contract recently awarded to DeSilva Gates Construction / Anvil Builders Joint Venture for the Block 48 Hillside Project and DeSilva Gates Construction / Hoseley Construction Joint Venture, Mass Grading and Demo on the Artist Parcel projects schedule to start in 2017.

ISSUES AND CONCERNS:

There were no issues or concerns in the Month of October 2016.



**CONSTRUCTION ASSISTANCE PROGRAM - 2 (CAP 2)
CANDLESTICK POINT / HUNTERS POINT SHIPYARD PHASE II**

NOVEMBER 2016 MONTHLY REPORT

La Shon A. Walker
Director of Community Affairs
FivePoint
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San Francisco, CA 94104

Sidney Martin – Sr. Project Manager
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CONSTRUCTION ASSISTANCE PROGRAM - 2 (CAP 2) CANDLESTICK POINT / HUNTERS POINT SHIPYARD PHASE II

Introduction

The Construction Assistance Program - 2 (CAP 2) is a community benefit negotiated by FivePoint (Formerly Lennar Urban) and the Bayview-Hunters Point (BVHP) Community. FivePoint is the developer of the Candlestick Point and Hunters Point Shipyard Phase II (CPHPS) Development Projects. The Construction Assistance Program's main objective is to encourage local SBE/LBE contractors and suppliers in the Bayview-Hunters Point (BVHP) Community to engage in the construction opportunities on the (CPHPS) Phase II Development Projects.

The following are services provided to SBE/LBE contractors and SBE/LBE trucking subcontractors under the CAP 2 Program:

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The CAP 2 program assists SBE/LBE contractors in the BVHP Community with technical support such as prequalification, construction software technology training, business development training, bid proposal preparation and assistance in acquiring financing or alternative resources.

IV. TRUCKING ADMINISTRATION PROGRAM

The Trucking Administration Program (TAP) has developed a unique Small Business Trucking Program Management System that culminates in the use of our Trucking Off-Haul Participation Plan and Trucking Compliance Monitoring Program. CAP 2 provides targeted outreach to Bayview/Hunters Point (94124, 94134, and 94107) owner operators and trucking companies to assure that project general contractors put forth a good faith effort to achieve the required participation goal for local subcontractor participation.

All Contractors, Subcontractors and their 2nd tier subcontractors shall use the services of the Trucking Program Administrator to provide the hauling services for this contract.

The Administrator utilized the Trucking Referral Procedures outlined below:

1. The Contractor shall request trucking referral services via E-mail, by 1:30 pm, the day before the required time of referral.

—Once the Administrator receives the E-mailed trucking requisition form from the contractor, he or she will go to the list and call the trucking companies in the following order:

2.

- Owner Operators in the Bay View/Hunters Point Area
- Owner Operators in San Francisco
- Companies with drivers in the Bay View/Hunters Point Area
- Companies with drivers in San Francisco
- Companies outside the City and County of San Francisco

3. The Administrator will then provide the contractor/subcontractor with a

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confirmation E-mail within two hours of receiving the requisition form.

RFP's will be Release for Following Projects in Early 2017:

Candlestick Point:

- ❖ Block 9 A
- ❖ Block 10 A (140 Low-Income Housing Units)
- ❖ Block 11 A (150 Low-Income Housing Units)
- ❖ Block 11 A North Tower (340 Ft. High-Rise)
- ❖ Candlestick Point Center

Hunters Point Shipyard Phase 1& 2:

- ❖ Hilltop Block 52 (Flats and Townhouses)
- ❖ Hillside Block 48 (6 Phases – 408 Homes)
- ❖ Hillside Infrastructure
- ❖ Artist Parcel/ Building (Four Story Artist Studio)

TRUCKING ADMINISTRATION PROGRAM

The Trucking Administration Program (TAP) continues to exceed expectations in providing quality professional local SBE trucking services.

CAP 2 utilized the TAP program on the following projects:

1. CP-01 INFRASTRUCTURE

Contractors: Ghilotti Brothers Inc. / Anvil Builders Joint Venture

2. HPS PHASE 1 STREETScape HILLTOP

Contractor: GECMS / McGuire and Hester Joint Venture

3. HPS PHASE 2 COMMERCIAL KITCHEN

Contractor: Carter's Construction

4. CP- 02, 03, 04 DEMOLITION, MASS GRADING AND SURCHARGE/WET UTILITIES

Contractor: DeSilva Gates Construction

Subcontractor: D.W. Young Construction

5. HPS PHASE 2 ARTIST PARCEL INFRASTRUCTURE

Contractor: Carter's Construction

The total trucking participation for all active projects in November 2016 is as follows:

BAYVIEW/HUNTERS POINT OWNER OPERATORS - 0%

SAN FRANCISCO OWNER OPERATOR - 0%

BAYVIEW/HUNTERS POINT TRUCKING COMPANIES - ~~1000~~0%

TRUCKING COMPANIES SAN FRANCISCO - 0%

OUTSIDE OWNER OPERATORS & TRUCKING COMPANIES - 0%

No Off-Haul Trucking Services This Month

TRUCKING PARTICIPATION BY PROJECT



1. CP-01 INFRASTRUCTURE

Contractors: Ghilotti Brothers Inc. / Anvil Builders Joint Venture

In the month of November 2016, Ghilotti Brothers Inc., as part of a joint venture with Anvil Builders, on the CP-01 job-site located at Gilman Avenue and Arelious Walker Drive to Candlestick Park had no off-hauling this month.

The chart below shows the summarized trucking activity for this project.

Subcontractor	Location	Type of Vehicles	Vehicles Requested
None			0
Total trucks			0

**BAYVIEW TRUCKING COMPANIES 100%
TOTALING 0 TRUCKS – 0 LOADS**



2. HPS PHASE 1 STREETSCAPE HILLTOP

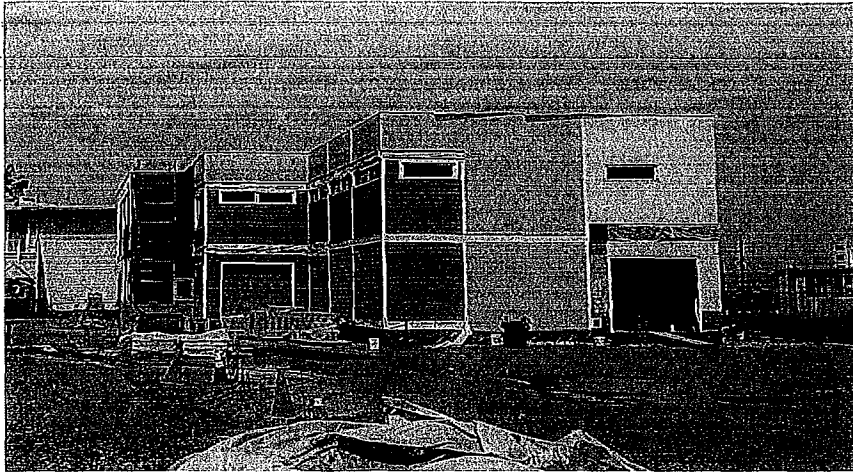
Contractor: GECMS / McGuire and Hester Joint Venture

In the month of November 2016, GECMS / McGuire and Hester Joint Venture did not utilize the services of the Trucking Administration Program on the HPS1 job-site located at Friedell Street and Hudson Ave.

The chart below shows no trucking activity for this project.

Subcontractor	Location	Type of Vehicles	# Vehicles Requested
None			0
Total Trucks			0

BAYVIEW TRUCKING COMPANIES 0%
TOTALING 0 TRUCKS - 0 LOADS



3. HPS PHASE 2 COMMERCIAL KITCHEN

Contractor: Carter's Construction

In the month of November 2016, Carter's Construction did not require the services of the Trucking Administration Program for the HPS Phase 2 Commercial Kitchen job-site located at Galvez Avenue and Robinson Street.

The chart below shows no trucking activity for this project.

Subcontractor	Location	Type of Vehicles	# Vehicles Requested
None			0
Total Trucks			0

BAYVIEW TRUCKING COMPANIES 0%
TOTALING 0 TRUCKS – 0 LOADS



4. CP - 02, 03, 04 DEMOLITION, MASS GRADING & SURCHARGE

Contractor: D. W. Young Construction sub to DeSilva Gates Construction

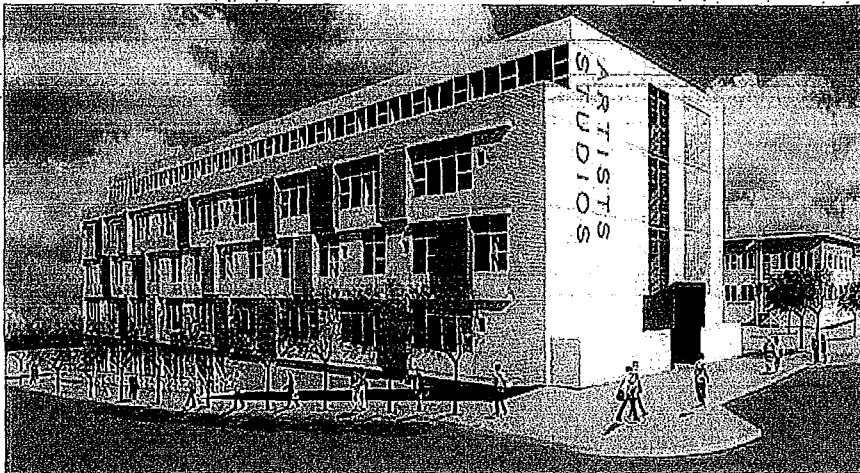
In the month of November 2016, D. W. Young Construction did not utilize the services of the Trucking Administration Program for local SBE truckers to import ½" x ¼" crushed rock from DeSilva Gates Aggregates in Sunol, CA to the CP - 02, 03, 04 Wet Utilities Project job site located on the previous site of Candlestick Park Stadium.

The chart below shows the summarized trucking activity for this project.

Subcontractor	Location	Type of Vehicles	# Vehicles Requested
None			0
TOTAL			0

**BAYVIEW TRUCKING COMPANIES 100%
TOTALING 0 TRUCKS – 0 LOADS**

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5. HPS PHASE 1 ARTIST PARCEL INFRASTRUCTURE

Contractor: Carter's Construction

In the month of November 2016, Carter's Construction did not require the services of the Trucking Administration Program at the Artist Parcel Infrastructure job-site located at Galvez Avenue and Horne Avenue. Carter Construction used sub-contractor Azul Works for street sweeping service.

The chart below shows no trucking activity for this project.

Subcontractor	Location	Type of Vehicles	# Vehicles Requested
None			0
TOTAL			0

BAYVIEW TRUCKING COMPANIES 0%
TOTALING 0 TRUCK – 0 LOADS

WORKSHOPS AND INFORMATIONAL MEETINGS:

There were no Workshops or Informational Meetings in the month of November 2016.

PRE-BID CONFERENCES

11/17/16 Pre-Bid Conference for Candlestick Point Block 11 A 340 Ft. High-Rise RFQ for Architect, and Professional Consultants at the Koret Auditorium -Main Library.

11/18/16 Pre-Bid Conference for Candlestick Point North CPN Block 10 A comprised of 140 residential units. TNDC/YCD released a RFQ for Architects, Engineers and Professional Consultants. Pre-Bid was held at 1 South Van Ness, 2nd Floor, SF 94103.

11/29/16 Pre-Bid Conference for Candlestick Point 11 A Affordable Housing for a RFQ for General Contractor Selection to construct the development of 150 affordable family units.

COMMENTS:

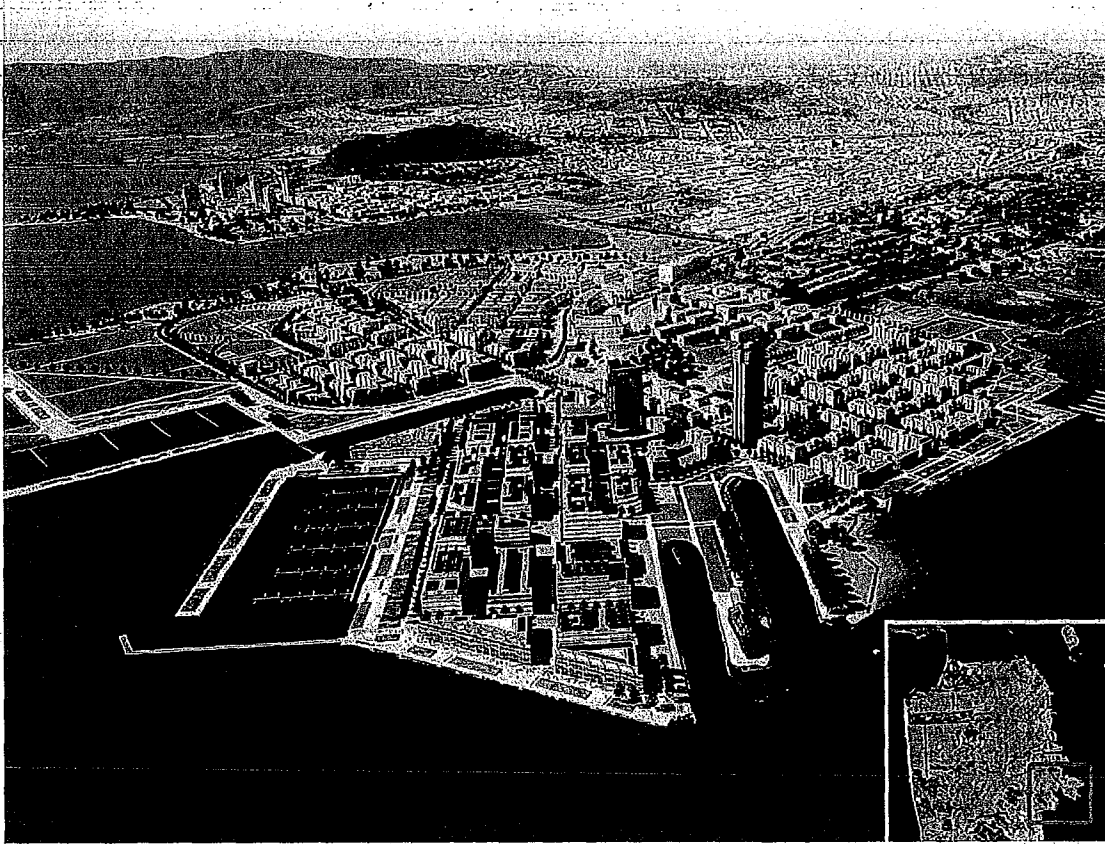
Trucking activity is expected to increase in the coming months due to the expected requirement for off-haul trucking on the contract recently awarded to DeSilva Gates Construction / Anvil Builders Joint Venture for the Block 48 Hillside Project and DeSilva Gates Construction / Hoseley Construction Joint Venture, on Wet Utilities, and Mass Grading on the Candlestick Point Center projects schedule to start in 2017.

ISSUES AND CONCERNS:

There were no issues or concerns in the Month of November 2016.



"Building Capacity for the Future"
CONSTRUCTION ASSISTANCE PROGRAM



CONSTRUCTION ASSISTANCE PROGRAM - 2 (CAP 2) CANDLESTICK POINT / HUNTERS POINT SHIPYARD PHASE II

December 2016 MONTHLY REPORT

La Shon A. Walker
Director of Community Affairs
FivePoint
One Sansome Street, Suite 3200
San Francisco, CA 94104

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Fabio Garcia – Project Manager
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CAP 2 coordinates and executes all outreach meetings to maximize participation and increase bid opportunities for the impacted local area contractors and suppliers to perform work and supply materials on both horizontal and vertical construction projects for the CPHPS Phase II development.

II. Workshops

CAP 2 is committed to keeping the businesses we serve informed, educated, and current on legislation, industry standards and technical software that helps them continue to be competitive and successful.

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The CAP 2 program assists SBE/LBE contractors in the BVHP Community with technical support such as prequalification, construction software technology training, business development training, bid proposal preparation and assistance in acquiring financing or alternative resources.

IV. TRUCKING ADMINISTRATION PROGRAM (TAP)

The Trucking Administration Program (TAP) has developed a unique Small Business Trucking Program Management System that culminates in the use of our Trucking Off-Haul Participation Plan and Trucking Compliance

Monitoring Program. CAP 2 provides targeted outreach to Bayview/Hunters Point (94124, 94134, and 94107) owner operators and trucking companies to assure that project general contractors put forth a good faith effort to achieve the required participation goal for local subcontractor and truckers' participation.

All Contractors, Subcontractors and their 2nd tier subcontractors shall use the services of the Trucking Program Administrator to provide the hauling services participation for this contract.

The Administrator utilized the Trucking Referral Procedures outlined below:

1. The Contractor shall request trucking referral services via E-mail, by 1:30 pm, the day before the required time of referral.
2. Once the Administrator receives the E-mailed trucking requisition form from the contractor, he or she will go to the list and call the trucking companies in the following order:
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 - Owner Operators in San Francisco
 - Companies with drivers in the Bay View/Hunters Point Area
 - Companies with drivers in San Francisco
 - Companies outside the City and County of San Francisco
3. The Administrator will then provide the contractor/subcontractor with a confirmation E-mail within two hours of receiving the requisition form.

RFP's will be Release for Following Projects in 2017:

Candlestick Point:

- ❖ Block 9 A
- ❖ Block 10 A (140 Low-Income Housing Units)
- ❖ Block 11 A (150 Low-Income Housing Units)
- ❖ Block 11 A North Tower (340 Ft. High-Rise Tower)
- ❖ Candlestick Point Center – Plaza and Mall

Hunters Point Shipyard Phase 1& 2:

- ❖ Hilltop Block 52 (Flats and Townhouses)
- ❖ Hillside Block 48 (6 Phases – 408 Homes)
- ❖ Hillside Infrastructure
- ❖ Haz-Mat and Demo of the old Commercial Kitchen
- ❖ Artist Parcel/ Building (Four Story Artist Studio)

TRUCKING ADMINISTRATION PROGRAM

The Trucking Administration Program (TAP) continues to rise above expectations in providing quality professional local SBE trucking services. CAP 2 utilized the TAP program on the following projects:

1. CP-01 INFRASTRUCTURE

Contractors: Ghilotti Brothers Inc. / Anvil Builders Joint Venture

2. HPS PHASE 1 STREETSCAPE HILLTOP

Contractor: GECMS / McGuire and Hester Joint Venture

3. HPS PHASE 2 COMMERCIAL KITCHEN

Contractor: Carter's Construction

4. CP- 02, 03, 04 DEMOLITION, MASS GRADING AND SURCHARGE/ WET UTILITIES

Contractor: DeSilva Gates Construction

Subcontractor: D.W. Young Construction

5. HPS PHASE 2 ARTIST PARCEL INFRASTRUCTURE

Contractor: Carter's Construction

**The total trucking participation for all active projects in
December 2016 is as follows:**

BAYVIEW/HUNTERS POINT OWNER OPERATORS - 0%

SAN FRANCISCO OWNER OPERATOR - 0%

BAYVIEW/HUNTERS POINT TRUCKING COMPANIES - 0%

TRUCKING COMPANIES SAN FRANCISCO - 0%

OUTSIDE OWNER OPERATORS & TRUCKING COMPANIES - 0%

No Off-Haul Trucking Services This Month

TRUCKING PARTICIPATION BY PROJECT



1. CP-01 INFRASTRUCTURE

Contractors: Ghilotti Brothers Inc. / Anvil Builders Joint Venture

In the month of December 2016, Ghilotti Brothers Inc., as part of a joint venture with Anvil Builders, on the CP-01 job-site located at Gilman Avenue and Arelious Walker Drive to Candlestick Park had no off-hauling this month.

The chart below shows the summarized trucking activity for this project.

Subcontractor	Location	Type of Vehicles	Vehicles Requested
None			0
Total trucks			0

**No Trucking This Month
TOTALING 0 TRUCKS – 0 LOADS**



2. HPS PHASE 1 STREETSCAPE HILLTOP

Contractor: GECMS / McGuire and Hester Joint Venture

In the month of December 2016, GECMS / McGuire and Hester Joint Venture did not utilize the services of the Trucking Administration Program on the HPS1 job-site located at Friedell Street and Hudson Ave.

The chart below shows the summarized trucking activity for this project.

Subcontractor	Location	Type of Vehicles	# Vehicles Requested
None			0
Total Trucks			0

TOTALING 0 TRUCKS – 0 LOADS



3. HPS PHASE 2 COMMERCIAL KITCHEN

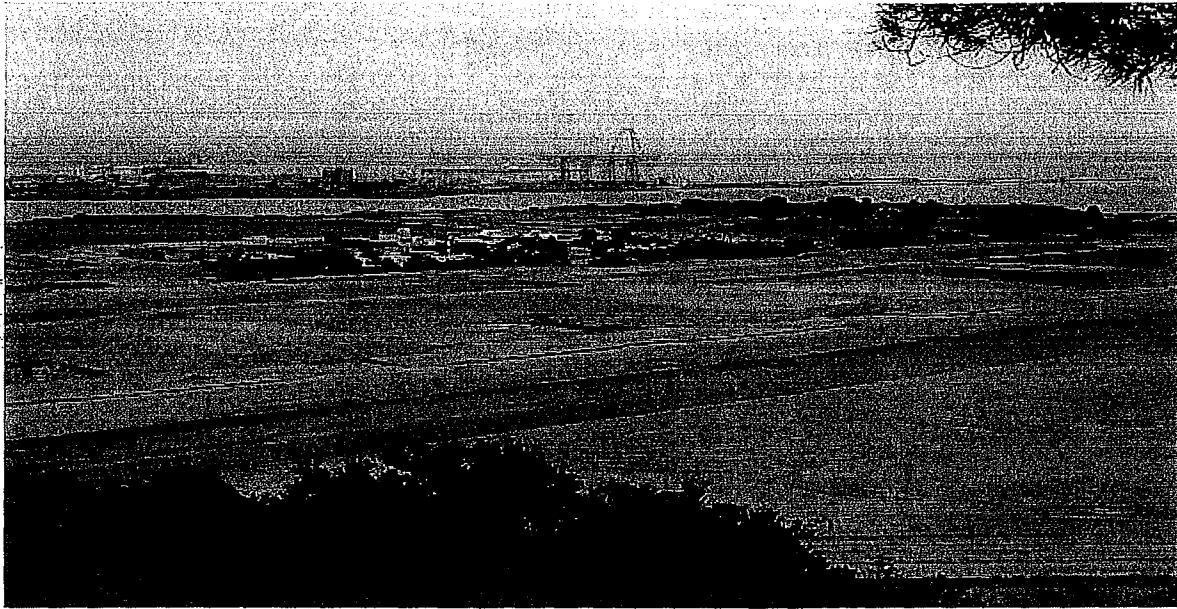
Contractor: Carter's Construction

In the month of December 2016, Carter's Construction did not require the services of the Trucking Administration Program for the HPS Phase 2 Commercial Kitchen job-site located at Galvez Avenue and Robinson Street.

The chart below shows the summarized trucking activity for this project.

Subcontractor	Location	Type of Vehicles	# Vehicles Requested
None			0
Total Trucks			0

TOTALING 0 TRUCKS – 0 LOADS



4. CP - 02, 03, 04 DEMOLITION, MASS GRADING & SURCHARGE

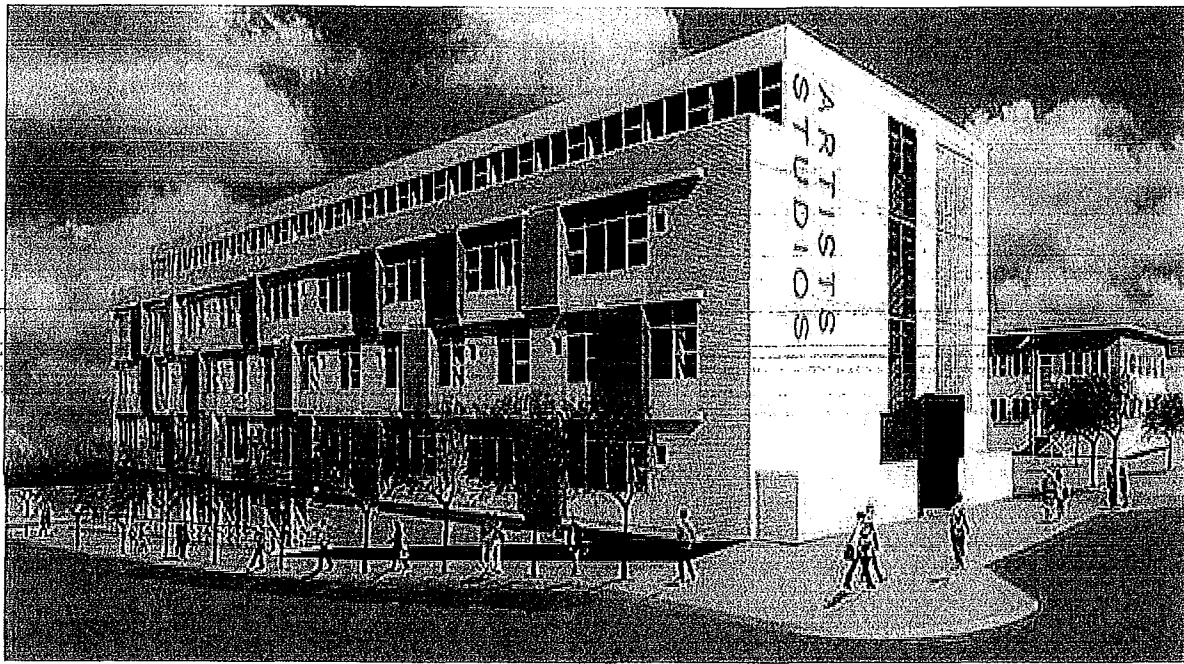
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The chart below shows the summarized trucking activity for this project.

Subcontractor	Location	Type of Vehicles	# Vehicles Requested
None			0
TOTAL Trucks			0

TOTALING 0 TRUCKS – 0 LOADS



5. HPS PHASE 1 ARTIST PARCEL INFRASTRUCTURE

Contractor: Carter's Construction

In the month of December 2016, Carter's Construction did not require the services of the Trucking Administration Program at the Artist Parcel Infrastructure job-site located at Galvez Avenue and Horne Avenue. Carter Construction used sub-contractor Azul Works for street sweeping service.

The chart below shows the summarized trucking activity for this project.

Subcontractor	Location	Type of Vehicles	# Vehicles Requested
None			0
TOTAL Trucks			0

TOTALING 0 TRUCK – 0 LOADS

WORKSHOPS AND INFORMATIONAL MEETINGS:

There were no Workshops or Informational Meetings in the month of December 2016.

PRE-BID CONFERENCES

There were no Pre-Bid Conferences in the month of December 2016.

COMMENTS:

Trucking activity is expected to increase in the coming months due to the expected requirement for off-haul trucking on the contract recently awarded to DeSilva Gates Construction / Anvil Builders Joint Venture for the Block 48 Hillside Project which is schedule to start in 2017 and DeSilva Gates Construction / Hoseley Construction Joint Venture, on Wet Utilities, and Mass Grading on the Candlestick Point Center project is on schedule to continue in 2017.

ISSUES AND CONCERNS:

There were no issues or concerns in the Month of December 2016.

Section	Description	Compliance Status	Complete/In Progress	Compliance Analysis	Nov-15	Q1 2016	Q2 2016	Q3 2016	Q4 2016
Phase 1 § 3	Construction Assistance Program "CAP" Opportunities for BVHP Area Contractors as described in more detail below:	See below	In Progress						
	a) Owner Consolidated Insurance Program	In Compliance	In Progress	Master Developer will address GL Limits by establishing them on project-by-project basis via insurance requirements in licenses & permits to enter and VDDAs approved by OCII.	In Compliance	In Compliance	In Compliance	We are still maintaining the program. See information on GL Limits in the Compliance Analysis	We are still maintaining the program. See information on GL Limits in the Compliance Analysis
	b) Surety Bond Program	In Compliance	In Progress		In Compliance	In Compliance	In Compliance	As required, the Master Developer has waived the surety bond requirement for BVHP Areas subcontractors - including Payment and Performance Bonds. Through our CAP services, contractors interested in becoming bonded are given resources and education related to accomplishing that goal.	As required, the Master Developer has waived the surety bond requirement for BVHP Areas subcontractors - including Payment and Performance Bonds. Through our CAP services, contractors interested in becoming bonded are given resources and education related to accomplishing that goal.
	c) Technical Assistance Program	In Compliance	In Progress	Master Developer has hired Butler Enterprises to administer the Phase 1 and Phase 2 CAP program. Previously, Business Development Inc. and John Scott Consulting administered the Phase 1 CAP.	In Compliance	In Compliance	In Compliance	In Compliance	20 Contractors visited the CAP office in Q4, and were assisted in a variety of ways. Three (3) were provided with a greater level of technical assistance. Please refer to vendor reports for greater detail.
	d) Financial Assistance Program	In Compliance	In Progress	Butler Enterprises conducts "Access The Money" workshops and provides other Financial Assistance through the "Mobilization Loan Program".	In Compliance	In Compliance	In Compliance	In Compliance	Carter Construction secured (and repaid) a \$50K loan to support their contract work on the Commercial Kitchen; Carney Plastering secured (and repaid) a

Section	Description	Compliance Status	Complete/In Progress	Compliance Analysis	Nov-15	Q1 2016	Q2 2016	Q3 2016	Q4 2016
	e) Mentorship Program	In Compliance	In Progress	The Mentorship Protégé program has been administered by the Renaissance Entrepreneurship Center since 2010. Since Renaissance Entrepreneurship Center has taken over the program, protégés have been able to secure contracts with a total value of more than \$45,000,000, and have employed more than 180 people, the majority of whom are D10 residents. Since the First Q1 2016, proteges have collectively secured \$1,273,300 in new contracts.	In Compliance	In Compliance	In Compliance	In Compliance	Mentorship Program expenditures are now being more accurately accounted for in both Outreach and Contractor Assistance.
Phase 2 § 5.2	Construction Assistance Program a) \$2.5 million (\$250,000/year for up to 10 years) for implementation of programs described below in c)-e)	In Compliance	In Progress	Obligation: \$2.5 million (\$250,000 per for up to 10years) for implementation of programs to support contractors: - Master Developer is in compliance with Phase 2 CAP - Master Developer has spent- \$353k Since 2014 and \$272k remains to be spent (Corrective information was provided in Q2 report. There is no longer a shortfall in Contractor Assistance expenditures.) - Since 2014 any shortfall at the end of the 10 year term will be paid to the Community Benefits Fund, or Developer will continue the CAP program beyond the term - Master Developer made \$250k contribution towards Surety Bond and Credit Support Program - Phase 1 & 2 for both Master Developer and contractor assistance services has spent \$1.16 million.	In Compliance	In Compliance	In Compliance	Contractor Assistance was underreported in previous reports (Nov.2015, and Q1 2016), as one cost center containing relevant expenditures was inadvertently ommitted. In the Q2 2016 report, that error is corrected, therefore the Master Developer is not underspent in the area of Contractor Assistance.	Phase 2 Expenditures for Contractor Assistance are \$855,555 through Q3 2016. However, expenditures for the Mentorship Protégé program, also a program to support and develop the capacities of local area contractors, had not been accounted for in the same way as other similar expenditures. That has been corrected, bringing the total
	b) Insurance and Credit Support (\$1 million for OCII surety bond and credit support program)	In Compliance	In Progress	Master Developer has made the first \$250,000 payment in accordance with the project schedule.	In Compliance	In Compliance	In Compliance	In Compliance	For Credit Support, the next payment of \$250K will be due after our next Major Phase approval. Currently, that would be MP-01 of HPSII, which is estimated to get approved in late 2018.
	c) Technical Assistance Program (on-site contractor liaison)	In Compliance	In Progress	Butler Enterprises has administered the Phase 2 CAP program since August 2013.	In Compliance	In Compliance	In Compliance	Technical assistance provided to contractors in Q3. See note on TA above and attached reports for further details.	
	d) Contractor Workshops	In Compliance	In Progress	Butler Enterprises has to-date organized 20 workshops.	In Compliance	In Compliance	In Compliance	Workshops held on Estimating and Bidding during Q3.	While there were no workshops in Q4, there was a Meet & Greet held on Nov. 1st. In total, there were nine (9) educational workshops held for contractors in 2016.

Section	Description	Compliance Status	Complete/In Progress	Compliance Analysis	Nov-15	Q1 2016	Q2 2016	Q3 2016	Q4 2016
	e) Trucking Program	In Compliance	In Progress	Butler Enterprises administers the Trucking Program as part of the CAP.	In Compliance	In Compliance	In Compliance	The trucking dispatch information for Q3: 9 trucks 84 loads for July; 20 trucks and 208 loads for August; 4 trucks and 32 loads for September. All trucking being provided by Bayview Hunters Point trucking company(ies)	During Q4, there 15 trucks used from Bayview Hunters Point Trucking Companies for 120 loads. They were used on the CP01 Infrastructure, and the Cp02, 03, 04 Demo, Mass Grading, Surcharge projects. See Vendor reports for more detail.
Phase 1 § 4	Community Builder Program 30% of private housing developments lots to be offered for development in partnership with Community Builders	Partial Compliance	In Progress	Phase 1 Community Builder lots have been assigned to Community Builders. Three Community Builder agreements have been executed to date; Master Developer is working to finalize the remaining agreements.Block Community Builder Units . 53 - MDC/C. Churchwell LLC (93) 54 - BAMEC Inc. (66) 48 – F & J - Shiloh Full Gospel Church (80) 1 - Tabernacle (224*) 52 Al Norman Development/ Marinship (77) 48 - A - San Francisco Housing Development Corp. (16) 48 - K - The Baines Group/ BHPMPSS (26) 48 - O - Eagle Environmental Consulting (11)	In Compliance	Additional information requested regarding the qualifications of Community Builders. Block 1 Community Developer is not named in report.	Additional information requested regarding the qualifications of Community Builders. Block 1 Community Developer is not named in report. Previously selected Community Builder for Block 1 named in response to audit for Q2	Consistent with Section 3 of DDA Attachment 24B, with respect to Parcel A', all of the Community Builders are "BVHP Area Builders" which means they are all developers and builders that (i) do business in and have a primary business address in the BVHP Area with an established, fixed office in a non-portable building where regular construction-related work is conducted; (ii) are listed in the Permits and License Tax Paid File with the City and County of San Francisco with a business address in the BVHP Area; (iii) possess a current Business Tax Registration Certificate issued by the City and County of San Francisco that shows a primary business address in the BVHP Area; (iv) have a demonstrated history of working in the BVHP Area; and/or (v) are established, construction-related businesses that include an owner, or owner, or at least 51% of	No new information to add for Q4.
Phase 2 § 5.1	Community Builder Program Master Developer will make available 500 units for development by Community Builders in Phase 2	In Compliance	Anticipated to commence in next Major Phase of development.	No Phase 2 Community Builder lots have been assigned for the initial Candlestick Point Major Phase. Obligation will be fulfilled in future Major Phases on Candlestick and/or the Hunters Point Shipyard. OCII has engaged community partners on Phases 1-3 of Alice Griffith, totaling 306 units.	In Compliance	In Compliance	In Compliance	No new information to add here for Q3	Anticipated to commence in next Major Phase of development.

Section	Description	Compliance Status	Complete/In Progress	Compliance Analysis	Nov-15	Q1 2016	Q2 2016	Q3 2016	Q4 2016
Phase 1 § 5	<u>Interim African Marketplace</u> Master Developer must establish an Interim African Marketplace until the permanent site is completed	In Compliance	In Progress	Master Developer organized events in 2006 and 2007 and has subsequently provided a \$180,000 cash contribution to OCII to continue work in fulfillment of the IAM program. OCII organized events in 2008 and 2009. The remaining \$80,000 balance has been returned to Master Developer, who is working with CAC to plan future events.	In Compliance	In Compliance	In Compliance	No new information to add here for Q3	The specific amount being held in stead for the IAM is \$83,676. See Compliance Analysis notes for more information.
Phase 2 § 3.2 -	<u>Community Facilities Space</u> Master Developer shall make available to OCII 7.5% of the aggregate retail space in the project (not to exceed 65,000 sf) for community serving uses	In Compliance	In Progress	Master Developer to provide 35,000 square feet of retail space in Candlestick, to be approved by OCII in Sub-Phase approval for CP 02, 03, and 04. Remaining 30k square feet will be provided in a future Major Phase at the Shipyard.	In Compliance	In Compliance	In Compliance	No new information to add here for Q3	There is no new information to add here for Q4. See Compliance Analysis notes for more information.
Phase 2 § 3.2 -	<u>Community Facilities Space for International African Marketplace (IAM)</u> (i) A portion of the Community Facilities Space within retail Vertical Projects on the Candlestick Site shall be used for an indoor IAM	In Compliance	In Progress	The planned location for the permanent outdoor IAM is in Northside Park. The indoor IAM is proposed to be located on Block CP South 8a, the square footage of the indoor IAM will be determined through Schematic Design process.	In Compliance	In Compliance	In Compliance	No new information to add here for Q3	There is no new information to add here for Q4. See Compliance Analysis notes for more information.
Phase 2 § 3.2 -	<u>Community Facilities Space for other uses</u> (ii) a portion of the Community Facilities Spaces will be used for San Francisco Public Library Facilities (iii) 3,000 sf will be used for a information center for the CP State Recreation Area	In Compliance	In Progress	The CP State Recreation Area will be provided in space developed in Sub-Phase CP-17. OCII staff to continue working with the San Francisco Public Library to identify needs in Candlestick.	In Compliance	In Compliance	In Compliance	No new information to add here for Q3	There is no new information to add here for Q4. See Compliance Analysis notes for more information.
Phase 1 § 7	<u>Cultural Historic Recognition Program</u> Master Developer is obligated to: a) create a public art program that provides opportunities for local artists; b) install 500 sf of youth tiles; c) create historic walkway; and d) engage and maintain a fundraising consultant to secure funding	In Compliance	In Progress	OCII has implemented the Shipyard Public Art program with federal funding; Master Developer has installed initial youth tiles and will complete tile installation of remaining youth tiles as park construction progresses; historic walkway to be located along the Coleman Promenade.	In Compliance	In Compliance	In Compliance	No new information to add here for Q3	There is no new information to add here for Q4. See Compliance Analysis notes for more information.
Phase 1 § 7	<u>Business Incubator Space Program</u> Master Developer is obligated to provide Business Incubator Space within the Shipyard. The space will be provided to OCII at cost (without profit) for operation of a business incubator program.	In Compliance	In Progress	Phase 1 Program: Facilitate the growth and development of a variety of businesses at the Shipyard through space provided at cost. > Phase 1 Update: Master Developer to provide space in the Phase 2 project. > Phase 2 Program: Master Developer and OCII will work together develop Building 813, an approximately 260k sq. ft. building, for the use as a center for the incubation of emerging businesses and technologies. > Phase 2 Update: OCII acquired Building 813 from the	In Compliance	In Compliance	In Compliance	See last page of Audit - Phase 1 § 12	Phase 2 Program: Master Developer and OCII will work together develop A PORTION OF Building 813, for the use as a center for the incubation of emerging businesses and technologies. Otherwise, other areas will be provided for such
Phase 1 § 8	<u>Home Buyer Assistance Program</u> Master Developer is required to develop a program to provide assistance to qualified Phase 1 home buyers, including: a) Down Payment Assistance, b) First Time Buyer Financing Program, c) Homeownership Counseling	Partial Compliance	In Progress	The Down Payment Assistance and First Time Buyer Financing Programs are set forth in the Vertical DDAs. Master Developer and Vertical Developers have been working with lenders to provide financing options including K&L community mortgage program. Between 2014-2015 Master Developer has organized 61 first time homebuyer workshops with a total of 1300 attendees.	In Compliance	No homeownership workshops held in Q1 or Q2 for 2016.	No homeownership workshops held in Q1 or Q2 for 2016.	Workshops held on September 15th and October 17th	Q4 2016 workshops held October 20th and November 17th. (The October 17th date listed in the Q3 report was a typographical error.)

Section	Description	Compliance Status	Complete/In Progress	Compliance Analysis	Nov-15	Q1 2016	Q2 2016	Q3 2016	Q4 2016
Phase 1 § 9	<u>Job Training and Employee Assistance Program</u> Master Developer must contribute \$225,000 per year to fund community based organization that provide suitable job training services.	Partial Compliance	In Progress	Total funding obligation to date (2005-2014) is \$ 2,250,000. To date, Master Developer has provided a total of approximately \$ 1,950,000. Master Developer has presented a plan to accelerate Job Training expenditures to achieve compliance by 2018. > <i>Current Job Training Grant with YCD being renewed at \$100k.</i> > <i>Master Developer is developing a plan to accelerate Job Training expenditures to achieve compliance by 2018.</i> <i>A) Plan to accelerate spending in process; Scope of work being negotiated with 3rd Street Youth Center & Clinic for 16-month program</i> <i>B) 2nd new program is intended to be with CCSF's Sustainability Certificate Program: There would also be greater funding for recruitment;</i>	Not Compliant.In Nov. 2015, the Developer's obligation was to provide \$2,250,000. To date, Developer has provided \$1,840,000.	Partial Compliance. Additional Information needed to determine compliance. Was RFP released to select training provider? To date, for 2016, Master Developer has spent approx. \$58k for job training of \$225k/year obligation + prior year shortfall.	Partial Compliance. Additional Information needed to determine compliance. Was RFP released to select training provider? To date, for 2016, Master Developer has spent approx. \$58k for job training of \$225k/year obligation + prior year shortfall.	Job Training expenditures \$1,985,044 to date; \$25K since Q2 report; not all vendor payments are monthly, but we are on track to meet the projections as given as stated in the supplemental data to the Q2 report.	Job training expenditures \$2,039,044 to date. Two of the three planned programs are up and running, and expenditures are beginning to be made. We will soon be issuing an RFP for the Environmental Training focused programming.
Phase 1 § 10	<u>Local Community Priority Leasing Program</u> Master Developer must encourage local businesses to lease available retail spaces within Phase 1 by actively notifying local businesses of upcoming leasing opportunities	In Compliance	Not Applicable	To date no retail space has been developed in Phase 1.	In Compliance	In Compliance	In Compliance	In Compliance	To date no retail space has been developed in Phase 1, but the retail space is to be located in community facility on Block 1.
Phase 1 § 11	<u>Small Business Assistance Program</u> Master Developer is required to identify opportunities to assist small businesses in BVHP with obtaining contracts by: a) creating and bi-annually updating a directory of local small businesses, b) requiring its contractors and consultants to use their best efforts to purchase no less than 20% of the dollar value of all of their Shipyard Project related purchases from BVHP Area Small Businesses. Contractors and consultants are required to provide monthly progress reports on the dollars spent with BVHP Area Small Businesses. Lennar is required to include language in their contracts with consultants and contractors regarding this obligation. c) host quarterly networking workshops for BVHP Area Small Businesses	Partial Compliance	In Progress	A) Master Developer currently publishes a directory of local suppliers with contractors through the CAP program, but was not shared with Professional Services consultants not using suppliers. Master Developer has since launched a suppliers website available to all contractors. B) Master Developer is currently in the process of revising its consultant and contractor contracts regarding making 20% of their project related purchases from BVHP Area Small Businesses. Contractors will begin supplying information on compliance, as these contracts are implemented. C) Master Developer has begun to hold networking events for suppliers quarterly. First was March 30th event; Q2 event was June 24th	Developer does not include language in their consultant and contractor contracts regarding making 20% of their project related purchases from BVHP Area Small Businesses.	Developer does not include language in their consultant and contractor contracts regarding making 20% of their project related purchases from BVHP Area Small Businesses.	Developer does not include language in their consultant and contractor contracts regarding making 20% of their project related purchases from BVHP Area Small Businesses.	We have not yet made any additional changes to our contracts since the report to the OCII Commission on October 18, 2016.	We are in the process of updating our contracts to make the suppliers requirement more explicit, and to add it to the reporting obligation for contractors. We are now in the beginning stages of the approval process necessary for systemic adoption.

Section	Description	Compliance Status	Complete/In Progress	Compliance Analysis	Nov-15	Q1 2016	Q2 2016	Q3 2016	Q4 2016
Phase 1 § 12	<u>Outreach Program</u> Master Developer is required to disseminate project information, in addition to program specific information, via website, quarterly newsletters, special mailings and similar outreach activities. Master Developer is also required to translate communications into Chinese, Spanish and Samoan.	Partial Compliance	In Progress	Master Developer has spent nearly \$1 million on outreach activities, including events (many of which are provided by the contractor liaison per the Construction Assistance Program). > In addition to the work Master Developer is already doing, Master Developer relaunched the hunterpointcommunity.com website where construction updates, reports CAC reports by the Project’s Environmental Manger, and outreach events related to specific projects are provided. Also during this first quarter, Master Developer has conducted two community events for NorthSide Park. This outreach is done in three languages and translation services were provided.	Partial Compliance	Partial Compliance	Partial Compliance		On the Phase 1 obligation to add Samoan language to our translation services, we now have consultants to work with us on translating correspondence that has previously been going out in English, Spanish and Chinese. We have also begun to provide translation on correspondence for Phase 2 letters as well. We are currently working on the www.hunterspointcommunity.com website to make it more user-friendly, informative and to provide links to other sites and resources.
Phase 1 § 13	<u>Status Reports</u> Master Developer is required to provide a quarterly written status report to OCII and CAC . Additionally, Master Developer is required to make a Status Report presentation to CAC.	Partial Compliance	In Progress	Lennar has not provided required quarterly reports to OCII and the CAC since November 2015. The Q1 Report was presented to the CAC on April 11, 2016. Q2 has not been presented to the CAC. Th e combined Q1 and Q2 report and supporting documentation was provided to OCII on September 23, 2016.	Partial Compliance	Partial Compliance	Partial Compliance	In Compliance	This is the Q4 2016 report
Phase 2 § 5.3	<u>Community Real Estate Broker Program</u> Master Developer is required to hold specific marketing events for Community Brokers and provide Community Brokers with the opportunity to preview and show Phase 2 units ahead of other brokers.	In Compliance	In Progress	No Phase 2 units are available to date, however, Master Developer has voluntarily expanded the program to Phase 1. Master Developer also provides additional 1% incentive fee to Community Brokers.	In Compliance	In Compliance	In Compliance	No new information to add here for Q3	There is no new information to add here for Q4. See Compliance Analysis notes for more information.
Phase 1 § 12	<u>Community Facilities Parcel</u> Master Developer is required to provide a 1.2 acre developable lot for community uses. (The remaining 4.8 acres will be provided in Phase 2)	In Compliance	In Progress	A 1.2 acre lot has been assigned as Phase 1 Community Facilities Parcel. Master Developer will provide the parcel to OCII as developable lot.	In Compliance	In Compliance	In Compliance	No new information to add here for Q3	There is no new information to add here for Q4. See Compliance Analysis notes for more information.
Phase 2 § 3.3	<u>Community Facilities Lots</u> Master Developer is required to provide a total of 4.8 acres of developable lots for community facilities.	In Compliance	In Progress	Phase 2 Community Facilities Lots have been preliminary identified, subject to revision in accordance with the Phase 2 DDA. A planning process to determine use of Community Facilities Lots is underway; OCII is facilitating discussions with San Francisco Unified School District, San Francisco Police Department, San Francisco Fire Department, San Francisco Public Library, and other service providers to determine future service needs to the Project.	In Compliance	In Compliance	In Compliance	No new information to add here for Q3	There is no new information to add here for Q4. See Compliance Analysis notes for more information.

Section	Description	Compliance Status	Complete/In Progress	Compliance Analysis	Nov-15	Q1 2016	Q2 2016	Q3 2016	Q4 2016
Phase 1 § 12	Additional Community Facilities The Phase 2 CBA provides for additional Community Facilities as listed below:	See below	In Progress						
	a) Arts and Cultural Facilities	In Compliance	In Progress	Master Developer is in the process of constructing Replacement Artist Studios of approximately 90,000 square feet and Replacement Commercial Kitchen of approximately 10,000 square feet, and completing Infrastructure for Building 101. A parcel for a future Arts Center has been assigned.	In Compliance	In Compliance	In Compliance	Commercial Kitchen estimated completion in late Feb. 2017;Construction on Artist Studios estimated to begin Q2 2017 with an estimated completion inf Q1 2019	Due to the lack of agreement between the City and PG&E related to a gasline easement, the estimated completion of the Commercial Kitchen has now slipped to April2017. Construction on Artist Studios estimated to begin Q2 2017 with an estimated completion in Q1 2019.
	b) Parks and Open Space Facilities	In Compliance	In Progress	Master Developer will construct a variety of passive and active public open spaces in accordance with the Parks and Open Space Plan.	In Compliance	In Compliance	In Compliance	No new information to add here	There is no new information to add here for Q4. See Compliance Analysis notes for more information.
	c) Emerging Business Incubator (Building 813)	In Compliance	In Progress	Master Development plans for Building 813 to be determined with first major phase of development at HP Phase 2.	In Compliance	In Compliance	In Compliance	No new information to add here	There is no new information to add here for Q4. See Compliance Analysis notes for more information.
	d) Fire Station Lot	In Compliance	In Progress	The location of the fire station lot has been determined. Master Developer will provide infrastructure in concurrence with the sub-phase.	In Compliance	In Compliance	In Compliance	No new information to add here	There is no new information to add here for Q4. See Compliance Analysis notes for more information.
Phase 2 § 1.1	Scholarship Program Master Developer must contribute \$3.5 million. Contribution are to be made in accordance with specified Project Milestones	In Compliance	In Progress	Master Developer has made first \$500,000 payment in accordance with the Phase 2 DDA. The Legacy Foundation is undertaking a planning process to make recommendations for the use of these funds.	In Compliance	In Compliance	In Compliance	Payments to the Scholarship Fund are indexed to every 1,000 lots conveyed which will happen when Lennar closes on the 334 apartments in CP-02. That is most likely to occur in Q2/Q3 2017 timeframe, but could potentially be delayed beyond that time. The next payment will be \$300K	Payments to the Scholarship Fund are indexed to every 1,000 lots conveyed which will happen when Lennar closes on the 334 apartments in CP-02. That is most likely to occur in Q2/Q3 2017 timeframe, but could potentially be delayed beyond that time. The next payment will be \$300K

Section	Description	Compliance Status	Complete/In Progress	Compliance Analysis	Nov-15	Q1 2016	Q2 2016	Q3 2016	Q4 2016
Phase 2 § 1.2	Education Improvement Fund Developer must contribute \$10 million in several installments in accordance with specified Project Milestones	In Compliance	In Progress	Master Developer has made first \$500,000 payment in accordance with the Phase 2 DDA. The funds are being held by OCII. Use of funds will be determined through a community process including representatives of the San Francisco Unified School District, Bayview Hunters Point, the Mayor's Office of Economic and Workforce Development, OCII and Lennar.	In Compliance	In Compliance	In Compliance	Payments to the Education Improvement Fund are indexed to every 1,000 lots conveyed which will happen when Lennar closes on the 334 apartments in CP-02. That is most likely to occur in Q2/Q3 2017 timeframe, but could potentially be delayed beyond that time. The next payment will be \$950K	Payments to the Education Improvement Fund are indexed to every 1,000 lots conveyed which will happen when Lennar closes on the 334 apartments in CP-02. That is most likely to occur in Q2/Q3 2017 timeframe, but could potentially be delayed beyond that time. The next payment will be \$950K
Phase 2 § 2.1	Wellness Contribution Master Developer must contribute \$2 million for the expansion of the Southeast Health Center. Contributions are due in accordance with specified Project Milestones	In Compliance	In Progress	Master Developer has made first \$100,000 payment in accordance with the Phase 2 DDA. The funds have been transferred to the Department of Public Health.	In Compliance	In Compliance	In Compliance	In Compliance	It is either paid when the 5,250th lot has been conveyed. We reach the conveyance timing in October 2022 in our current plan.
Phase 2 § 2.1	Southeast Health Center Master Developer must contribute \$250,000 for predevelopment expenses associated with the expansion of the Southeast Health Center.	In Compliance	In Progress	Master Developer has made \$250,000 payment in accordance with the Phase 2 DDA. The funds have been transferred to the Department of Public Health.	In Compliance	In Compliance	In Compliance	In Compliance	There is no new information to add here for Q4. See Compliance Analysis notes for more information.
Phase 1 - 5th Amendment	Community Benefits Fund Master Developer must contribute \$1 million to the Community Benefits Fund	In Compliance	In Progress	Master Developer has contributed \$1 million to Community Benefits Fund in accordance with the Phase 1 DDA (\$500,000 in June 2012 and \$500,000 in June 2013). The Legacy Foundation is undertaking a planning process to make recommendations for the use of these funds.	In Compliance	In Compliance	In Compliance	Legacy Fund is currently beginning to share their Strategic Plan with the CAC (11/17/16 - B & E Subcommittee)	Legacy Fund Strategic Plan was presente to CAC Business & Employment Subcommittee on 11/17/16. It is scheduled to go to Full CAC and OCII Commission early 2017
Phase 2 § 2.1	Community Benefits Fund Master Developer must contribute to the Community Benefits Fund 0.5% of the sales price of each Phase 2 market rate unit.	In Compliance	In Progress	Initial home closings for Phase 2, and associated payments to the Community Benefits Fund, are currently anticipated in late 2018, with continued paymends to the CBF anticipated thereafter.	In Compliance	In Compliance	In Compliance	No new information to add here for Q3	There is no new information to add here for Q4. See Compliance Analysis notes for more information.



office of

COMMUNITY INVESTMENT
and INFRASTRUCTURE

450-2172017-014

April 10, 2017

HPS Development Co., LP
CP Development Co., LP
One Sansome Street, Suite 3200
San Francisco, CA 94104
Attention: Kofi Bonner

Re: 2016 Quarter 4 Community Benefits Report for the Hunters Point Shipyard Phase 1 and Candlestick Point/Hunters Point Shipyard Phase 2 Disposition and Development Agreements

Dear Kofi,

The Office of Community Investment and Infrastructure ("OCII") received the 2016 Quarter 4 Community Benefits Status Report on February 7, 2017 ("2016 Q4 Report") from HPS Development Co., LP and CP Development Co., LP (together, "Developer").

As you are aware, OCII oversees the implementation of development at Candlestick Point and Phases 1 and 2 of the Hunters Point Shipyard (together, the "Project"). OCII's oversight includes reviewing the Developer's performance of the community benefits contained in the Hunters Point Shipyard Phase 1 Community Benefits Agreement ("Phase 1 CBA") and the Candlestick Point and Hunters Point Shipyard Phase 2 Community Benefits Plan ("Phase 2 CBA", an exhibit to the Disposition and Development Agreement).

The Project's community benefits are intended to ensure that the Bayview Hunters Point ("BVHP") community has the opportunity to participate in, and benefit from, the Project.

Summary of OCII Review

OCII staff conducted an assessment of the 2016 Q4 Report to identify areas of compliance, partial compliance, or non-compliance. The Developer remains in substantial compliance with its obligations under both the Phase 1 and Phase 2 CBAs. However, there are some areas that require Developer action to bring them into full compliance.

Edwin M. Lee
MAYOR

Nadia Sesay
INTERIM
EXECUTIVE DIRECTOR

Marilyn Mondejar
CHAIR

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OCII staff has identified the following areas which the Developer should focus on implementing improvements:

Developer Actions Required for Full Compliance

1) Small Business Assistance Program

Requirement

Under the Phase 1 CBA, the Developer is required to identify opportunities to assist small businesses in BVHP with obtaining contracts by, among other things, requiring its contractors and consultants to use their best efforts to purchase no less than 20% of the dollar value of all of their Shipyard Project related purchases from BVHP Area Small Businesses. The Developer must require contractors and consultants to provide monthly progress reports on the dollars spent with BVHP Area Small Businesses, and is required to include language in contracts with consultants and contractors regarding this obligation.

Status

The Developer is in the beginning stages of the approval process necessary for adoption of the required purchasing language in all contracts obligating contractors and consultants to make their best efforts to purchase at least 20% of the dollar value of all of their Shipyard Project related purchases from BVHP Area Small Businesses.

Next Steps

- Developer will start including language in contracts with Phase 1 consultants and contractors.
- Developer will report on Phase 1 consultant and contractor purchasing in the 2017 Quarter 2 report.

2) Community Builder Program

Requirement

Under the Phase 1 CBA 30% of private housing development lots must be offered for development in partnership with Community Builders.

Status

Three Community Builder agreements have been executed to date. The Developer is working to finalize the remaining agreements. Staff has requested additional information from the Developer regarding the qualification of all selected and assigned Community Builders. Phase 1 Community Builders were qualified through a competitive process in 2004 and 2005. OCII has no record of AI Norman Development being qualified as a Phase 1 Community Builder under the process set forth in the Phase 1 Disposition and Development Agreement.

Next Steps

- Developer will provide OCII any documentation regarding the qualification and selection of AI Norman Development as a Community Builder on Block 52 – including copies of the Fee Developer Agreements for AI Norman Development and Marinship regarding the eligibility and qualifications of each community builder by the end of the second quarter for 2017.

3) Job Training and Employee Assistance Program

Requirement

Under the Phase 1 CBA, the Developer must contribute \$225,000 per year to fund community based organizations ("CBOs") that provide job training services.

Status

In 2015, OCII found that the Developer was not in compliance with this requirement and identified a \$410,000 shortfall; the total prior years' shortfall as of the date of this letter. In 2015, the Phase 1 Developer committed to accelerating payments through 2018 to address the shortfall.

In the first three quarters of 2016, the Phase 1 Developer has spent approximately \$83,332 of the \$225,000 annual obligation. No funds have been expended to address the prior years' shortfall. The Developer has submitted a plan to OCII to accelerate \$460,000 in spending over the next 2 years. The Developer reported an expenditure of \$54,000 in Quarter 4, bringing the total shortfall, including previous years, to \$497,668.

	Prior Years	2016	Cumulative
Expenditures	\$1,840,000	\$137,332	\$1,977,332
Shortfall	\$410,000	\$87,668	\$497,668

Next Steps.

- Developer will provide OCII with documentation for the selection of CBOs in accordance with the competitive process outlined in the Phase 1 CBA.
- Developer's 2017 Quarter 1 Report will provide additional details on the acceleration of payments to address the \$410,000 prior years' shortfall including information on the schedule for issuance of RFPs for BVHP area job training organizations; which training areas are being targeted; and any 2016 shortfall.

A full accounting for each of the Developer's obligations is attached hereto. I look forward to addressing these outstanding issues. If you have any questions regarding these findings, please contact Kasheica McKinney at kasheica.mckinney@sfgov.org or (415) 749-2422.

Sincerely,



Nadia Sesay
Interim Executive Director

Enclosures: 2016 Fourth Quarter Community Benefits Agreement OCII Compliance Analysis

cc: Sally Oerth, Tamsen Drew, Kasheica McKinney (OCII)
La Shon Walker, Ivy Greaner, Suheil Totah (FivePoint)
Ryan Hauk (Lennar)

OCII Community Benefits Agreement Compliance Analysis Q4 2016

Section	Description	Compliance Status	Complete/In Progress	Compliance Analysis	OCII Comments	OCII Q3	OCII Q4
Phase 1 § 3	Construction Assistance Program "CAP" Opportunities for BVHP Area Contractors as described in more detail below:	See below	In Progress				
	a) Owner Consolidated Insurance Program	In Compliance	In Progress	Master Developer maintains insurance program and established GL limits on a project-by-project basis.	–	In Compliance	In Compliance
	b) Surety Bond Program	In Compliance	In Progress	Master Developer has waived the surety bond requirement for BVHP area subcontractors, including payment and performance bonds.	–	In Compliance	In Compliance
	c) Technical Assistance Program	In Compliance	In Progress	Master Developer has hired Butler Enterprises to administer the Phase 1 and Phase 2 CAP program.	–	In Compliance	In Compliance
	d) Financial Assistance Program	In Compliance	In Progress	Master Developer has hired Butler Enterprises to provide assistance with securing financing and with accessing the "Mobilization Loan Program".	Master Developer has provided supporting documentation demonstrating compliance for Q3.	In Compliance	In Compliance
	e) Mentorship Program	In Compliance	In Progress	The Mentorship Protégé program has been administered by the Renaissance Entrepreneurship Center since 2010. Since Renaissance Entrepreneurship Center has taken over the program, protégés have been able to secure in contracts with a total value of more than \$45,000,000, and have employed more than 180 people, the majority of whom are D10 residents.	Master Developer has provided supporting documentation demonstrating compliance for Q3.	In Compliance	In Compliance
	Construction Assistance Program a) \$2.5 million (\$250,000/year for up to 10 years) for implementation of programs described below in c)-e)	In Compliance	In Progress		–	In Compliance	In Compliance
	b) Insurance and Credit Support (\$1 million for OCII surety bond and credit support program)	In Compliance	In Progress	Master Developer has made the first \$250,000 payment in accordance with the project schedule.	–	In Compliance	In Compliance

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Phase 2 § 5.2	c) Technical Assistance Program (on-site contractor liaison)	In Compliance	In Progress	Butler Enterprises has administered the Phase 2 CAP program since August 2013.	Master Developer has provided supporting documentation demonstrating compliance for Q4.	In Compliance	In Compliance
	d) Contractor Workshops	Partial Compliance	In Progress	Butler Enterprises held a meet and greet for contractors on Nov. 1st.	Master Developer did not hold any Contractor Assistance Workshops in Q4.	Partial Compliance	Partial Compliance
	e) Trucking Program	In Compliance	In Progress	Butler Enterprises administers the Trucking Program as part of the CAP.	Master Developer has provided supporting documentation demonstrating compliance for Q3.	In Compliance	In Compliance
Phase 1 § 4	Community Builder Program 30% of private housing developments lots to be offered for development in partnership with Community Builders	Pending Review	In Progress	Additional information requested regarding the qualifications of Community Builders.	No documentation provided	Partial Compliance	Partial Compliance
Phase 2 § 5.1	Community Builder Program Master Developer will make available 500 units for development by Community Builders in Phase 2	In Compliance	Anticipated to commence in next Major Phase of development.	No Phase 2 Community Builder lots have been assigned for the initial Candlestick Point Major Phase. Obligation will be fulfilled in future Major Phases on Candlestick and/or the Hunters Point Shipyard. OCII has engaged community partners on Phases 1-3 of Alice Griffith, totaling 306 units.	—	In Compliance	In Compliance
Phase 1 § 5	Interim African Marketplace Master Developer must establish an Interim African Marketplace until the permanent site is completed	In Compliance	In Progress	Master Developer organized events in 2006 and 2007 and has subsequently provided a \$180,000 cash contribution to OCII to continue work in fulfillment of the IAM program. OCII organized events in 2008 and 2009. The remaining \$80,000 balance has been returned to Master Developer, who is working with CAC to plan future events.	—	In Compliance	In Compliance
Phase 2 § 3.2 -	Community Facilities Space Master Developer shall make available to OCII 7.5% of the aggregate retail space in the project (not to exceed 65,000 sf) for community serving uses	In Compliance	In Progress	Master Developer to provide 35,000 square feet of retail space in Candlestick, to be approved by OCII in Sub-Phase approval for CP 02, 03, and 04. Remaining 30k square feet will be provided in a future Major Phase at the Shipyard.	—	In Compliance	In Compliance
Phase 2 § 3.2 -	Community Facilities Space for International African Marketplace (IAM) (i) A portion of the Community Facilities Space within retail Vertical Projects on the Candlestick Site shall be used for an indoor IAM	In Compliance	In Progress	The planned location for the permanent outdoor IAM is in s Northside Park. The indoor IAM is proposed to be located on Block CP South 8a, the square footage of the indoor IAM will be determined through Schematic Design process.	—	In Compliance	In Compliance

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Phase 2 § 3.2 -	Community Facilities Space for other uses (ii) a portion of the Community Facilities Spaces will be used for San Francisco Public Library Facilities (iii) 3,000 sf will be used for an information center for the CP State Recreation Area	In Compliance	In Progress	The CP State Recreation Area will be provided in space developed in Sub-Phase CP-17. OCII staff to continue working with the San Francisco Public Library to identify needs in Candlestick.	–	In Compliance	In Compliance
Phase 1 § 7	Cultural Historic Recognition Program Master Developer is obligated to: a) create a public art program that provides opportunities for local artists; b) install 500 sf of youth tiles; c) create historic walkway; and d) engage and maintain a fundraising consultant to secure funding	In Compliance	In Progress	OCII has implemented the Shipyard Public Art program with federal funding; Master Developer has installed initial youth tiles and will complete tile installation of remaining youth tiles as park construction progresses; historic walkway to be located along the Coleman Promenade.	–	In Compliance	In Compliance
Phase 1 § 7	Business Incubator Space Program Master Developer is obligated to provide Business Incubator Space within the Shipyard. The space will be provided to OCII at cost (without profit) for operation of a business incubator program.	In Compliance	In Progress	Phase 1 Program: Facilitate the growth and development of a variety of businesses at the Shipyard through space provided at cost. > Phase 1 Update: Master Developer to provide space in the Phase 2 project. > Phase 2 Program: Master Developer and OCII will work together develop Building 813, an approximately 260k sq. ft. building, for the use as a center for the incubation of emerging businesses and technologies. > Phase 2 Update: OCII acquired Building 813 from the Navy in September.	–	In Compliance	In Compliance
Phase 1 § 8	Home Buyer Assistance Program Master Developer is required to develop a program to provide assistance to qualified Phase 1 home buyers, including: a) Down Payment Assistance, b) First Time Buyer Financing Program, c) Homeownership Counseling	In Compliance	In Progress	The Down Payment Assistance and First Time Buyer Financing Programs are set forth in the Vertical DDAs. Master Developer and Vertical Developers have been working with lenders to provide financing options including K&L community mortgage program.	Two homebuyer workshops were held on Q4, October 20th and November 17th.	In Compliance	In Compliance

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Phase 1 § 9	<u>Job Training and Employee Assistance Program</u> Master Developer must contribute \$225,000 per year to fund community based organization that provide suitable job training services.	Partial Compliance	In Progress	Total funding obligation to date (2005-2014) is \$ 2,250,000. To date, Master Developer has provided a total of approximately \$ 1,950,000. Master Developer has presented a plan to accelerate Job Training expenditures to achieve compliance by 2018.	Master Developer's job training expenditure total for 2016 was \$137,332. Developer did not release job training RFPs in 2016 but is currently preparing to renew a \$100k job training grant with YCD, and to issue a RFP for an environmental training focused program. Additional details for accelerating spending for job training should be provided to address prior years shortfalls.	Partial Compliance	Partial Compliance
Phase 1 § 10	<u>Local Community Priority Leasing Program</u> Master Developer must encourage local businesses to lease available retail spaces within Phase 1 by actively notifying local businesses of upcoming leasing opportunities	In Compliance	Not Applicable	To date no retail space has been developed in Phase 1.	—	In Compliance	In Compliance
Phase 1 § 11	<u>Small Business Assistance Program</u> Master Developer is required to identify opportunities to assist small businesses in BVHP with obtaining contracts by: a) creating and bi-annually updating a directory of local small businesses, b) requiring its contractors and consultants to use their best efforts to purchase no less than 20% of the dollar value of all of their Shipyard Project related purchases from BVHP Area Small Businesses. Contractors and consultants are required to provide monthly progress reports on the dollars spent with BVHP Area Small Businesses. Lennar is required to include language in their contracts with consultants and contractors regarding this obligation. c) host quarterly networking workshops for BHVP Area Small Businesses	Partial Compliance	In Progress	A) Master Developer currently publishes a directory of local suppliers with contractors through the CAP program, but was not shared with Professional Services consultants not using suppliers. Master Developer has launched a suppliers website available to all contractors. B) Master Developer has hired Butler Enterprises to host networking events for suppliers quarterly.	Master Developer does not include language in their consultant and contractor contracts regarding making 20% of their project related purchases from BVHP Area Small Businesses. Developer is in the process of updating contracts with an explicit supplier requirement and a reporting obligation for contractors.	Partial Compliance	Partial Compliance
Phase 1 § 12	<u>Outreach Program</u> Master Developer is required to disseminate project information, in addition to program specific information, via website, quarterly newsletters, special mailings and similar outreach activities. Master Developer is also required to translate communications into Chinese, Spanish and Samoan.	Partial Compliance	In Progress	Master Developer is required to disseminate project information and provide compliance in context of CBA Exhibit L - , in addition to program specific information, via website, quarterly newsletters, special mailings and similar outreach activities. Master Developer is also required to translate communications into Chinese, Spanish and Samoan.	Master Developer is currently in the process of providing translation of all Phase 1 documents in Samoan (in addition to the English, Spanish, and Chinese being provided). Master Developer is currently working improvements to the Shipyard specific website to provide information about resources , construction updates, and outreach events related to specific projects.	In Compliance	In Compliance

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Phase 1 § 13	Status Reports Master Developer is required to provide a quarterly written status report to OCII and CAC . Additionally, Master Developer is required to make a Status Report presentation to CAC.	Partial Compliance	In Progress	The Q1 Report was presented to the CAC on April 11, 2016. Q2 has not been presented to the CAC. Th e combined Q1 and Q2 report and supporting documentation was provided to OCII on September 23, 2016. The Q3 Report was provided to OCII on November 1, 2016.	Per the CBA, the Master Developer is responsible for presenting Quarterly CB Report to the CAC.	In Compliance	In Compliance
Phase 2 § 5.3	Community Real Estate Broker Program Master Developer is required to hold specific marketing events for Community Brokers and provide Community Brokers with the opportunity to preview and show Phase 2 units ahead of other brokers.	In Compliance	In Progress	No Phase 2 units are available to date, however, Master Developer has voluntarily expanded the program to Phase 1. Master Developer also provides additional 1% incentive fee to Community Brokers.	–	In Compliance	In Compliance
Phase 1 § 12	Community Facilities Parcel Master Developer is required to provide a 1.2 acre developable lot for community uses. (The remaining 4.8 acres will be provided in Phase 2)	In Compliance	In Progress	A 1.2 acre lot has been assigned as Phase 1 Community Facilities Parcel. Master Developer will provide the parcel to OCII as developable lot.	–	In Compliance	In Compliance
Phase 2 § 3.3	Community Facilities Lots Master Developer is required to provide a total of 4.8 acres of developable lots for community facilities.	In Compliance	In Progress	Phase 2 Community Facilities Lots have been preliminary identified, subject to revision in accordance with the Phase 2 DDA. A planning process to determine use of Community Facilities Lots is underway; OCII is facilitating discussions with San Francisco Unified School District, San Francisco Police Department, San Francisco Fire Department, San Francisco Public Library, and other service providers to determine future service needs to the Project.	–	In Compliance	In Compliance
Phase 1 § 12	Additional Community Facilities The Phase 2 CBA provides for additional Community Facilities as listed below:	See below	In Progress				
	a) Arts and Cultural Facilities	In Compliance	In Progress	Master Developer will construct Replacement Artist Studios of approximately 90,000 square feet and Replacement Commercial Kitchen of approximately 10,000 square feet, and completing Infrastructure for Building 101. A parcel for a future Arts Center has been assigned.	–	In Compliance	In Compliance
	b) Parks and Open Space Facilities	In Compliance	In Progress	Master Developer will construct a variety of passive and active public open spaces in accordance with the Parks and Open Space Plan.	–	In Compliance	In Compliance

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	c) Emerging Business Incubator (Building 813)	In Compliance	In Progress	Master Development plans for Building 813 to be determined with first major phase of development at HP Phase 2.	–	In Compliance	In Compliance
	d) Fire Station Lot	In Compliance	In Progress	The location of the fire station lot has been determined. Master Developer will provide infrastructure in concurrence with the sub-phase.	–	In Compliance	In Compliance
Phase 2 § 1.1	Scholarship Program Master Developer must contribute \$3.5 million. Contribution are to be made in accordance with specified Project Milestones	In Compliance	In Progress	Master Developer has made first \$500,000 payment in accordance with the Phase 2 DDA. The Legacy Foundation is undertaking a planning process to make recommendations for the use of these funds.	–	In Compliance	In Compliance
Phase 2 § 1.2	Education Improvement Fund Developer must contribute \$10 million in several installments in accordance with specified Project Milestones	In Compliance	In Progress	Master Developer has made first \$500,000 payment in accordance with the Phase 2 DDA. The funds are being held by OCII. Use of funds will be determined through a community process including representatives of the San Francisco Unified School District, Bayview Hunters Point, the Mayor's Office of Economic and Workforce Development, OCII and Developer.	–	In Compliance	In Compliance
Phase 2 § 2.1	Wellness Contribution Master Developer must contribute \$2 million for the expansion of the Southeast Health Center. Contributions are due in accordance with specified Project Milestones	In Compliance	In Progress	Master Developer has made first \$100,000 payment in accordance with the Phase 2 DDA. The funds have been transferred to the Department of Public Health.	–	In Compliance	In Compliance
Phase 2 § 2.1	Southeast Health Center Master Developer must contribute \$250,000 for predevelopment expenses associated with the expansion of the Southeast Health Center.	In Compliance	In Progress	Master Developer has made \$250,000 payment in accordance with the Phase 2 DDA. The funds have been transferred to the Department of Public Health.	–	In Compliance	In Compliance
Phase 1 - 5th Amendment	Community Benefits Fund Master Developer must contribute \$1 million to the Community Benefits Fund	In Compliance	In Progress	Master Developer has contributed \$1 million to Community Benefits Fund in accordance with the Phase 1 DDA (\$500,000 in June 2012 and \$500,000 in June 2013). The Legacy Foundation is undertaking a planning process to make recommendations for the use of these funds.	–	In Compliance	In Compliance
Phase 2 § 2.1	Community Benefits Fund Master Developer must contribute to the Community Benefits Fund 0.5% of the sales price of each Phase 2 market rate unit.	In Compliance	In Progress	Initial home closings for Phase 2, and associated payments to the Community Benefits Fund, are currently anticipated in late 2018, with continued payments to the CBF anticipated thereafter.	–	In Compliance	In Compliance