



450-0352020-002

Agenda Item **No. 5(a)**
Meeting of October 20, 2020

MEMORANDUM

TO: Community Investment and Infrastructure Commissioners

FROM: Nadia Sesay, Executive Director

SUBJECT: Authorizing a Personal Services Contract with C.H. Elliott & Associates, a sole proprietorship, for a term upon expenditure of the total contract amount not to exceed \$75,000, to provide real estate and fiscal consulting services in association with the implementation of the Disposition and Development Agreement for Hunters Point Shipyard Phase I and Candlestick Point and Hunters Point Shipyard Phase II (collectively, the "DDAs"); Hunters Point Shipyard and Bayview Hunters Point Project Areas

EXECUTIVE SUMMARY

C. H. Elliott & Associates ("Mr. Elliott") is a small local business in the City and County of San Francisco. Since 1999, working in various contracting positions, Colin Elliott, Principal of C. H Elliott and Associates, has provided OCII strategic advice during development negotiations, along with other technical real estate and fiscal advisory services for the Hunters Point Shipyard ("HPS") Phase 1 and Candlestick Point/HPS Phase 2 Projects.

Mr. Elliott's expertise in both the HPS Phase 1 Disposition and Development ("Phase 1 DDA") and the Candlestick Point/HPS Phase 2 Disposition and Development Agreements ("Phase 2 DDA"), and his assistance to OCII in negotiating various agreements with the respective developers has been critical to OCII's efficient implementation of both the Phase 1 and Phase 2 DDAs.

On May 12, 2018, OCII entered into C.H. Elliot's most recent Personal Services Contract for an amount not-to-exceed \$50,000.00 for a two-year term. That contract has now expired. The proposed contract ("Contract") is for an amount not to exceed \$75,000. The contract term will end when the funds are expended.

London N. Breed
MAYOR

Nadia Sesay
EXECUTIVE DIRECTOR

Miguel Bustos
CHAIR

Mara Rosales
Bivett Brackett
Dr. Carolyn Ransom-Scott
COMMISSIONERS

- One S. Van Ness Ave.
5th Floor
San Francisco, CA
94103
- 415 749 2400
- www.sfocii.org

Staff recommends authorizing the Executive Director to approve a Personal Services Contract with C.H. Elliott & Associates, a sole proprietorship, for a term upon expenditure of the total contract amount not to exceed \$75,000, to provide real estate and fiscal consulting services in association with the implementation of the DDAs.

DISCUSSION

Scope of Work

During the term of this agreement, Mr. Elliott will be providing OCII with as-needed strategic advice relative to developer's obligations as set forth in the Phase 1 and Phase 2 DDAs. This advice will include the following:

- 1) Advice regarding any developer requests for amendments to the Financing Plan.
- 2) Analysis of changes to the proformas required as a part of new or revised Major Phase applications.
- 3) Review of the impact of new development phasing to Mello-Roos, tax increment, or other financing projections.
- 4) Review of appraisals related to amendments to Vertical Disposition and Development Agreements.
- 5) Review of developers financial projections and assumptions for financing under the Transportation Infrastructure financing and Innovation Act ("TIFIA").
- 6) Other real estate consulting advice as requested by OCII.

The Contract can be found as Exhibit 1 to the accompanying Resolution. Additional information on the Scope of Work can be found in Attachment A of the Personal Services Contract.

Budget & Term

The Contract budget is for \$75,000 and the costs will be fully reimbursed by either the Phase 1 or Phase 2 DDA Developers as applicable. The term of the Contract continues until the full budge amount has been expended. Staff anticipates that the budget will cover several years of services, however the actual timeframes will be dependent on the Developers' pace of development.

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Contract Commencement Date

The previous contract expired on July 31, 2020. Therefore, the commencement of the proposed Personal Services Contract shall be August 1, 2020 in order to cover on-going appraisal work for Phase 1 that took place between August 1, 2020 and October 20, 2020.

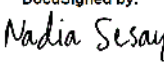
Experience

OCII is engaging Mr. Elliott to provide real estate consulting services pursuant to the Scope of Work, above. The Contractor has performed exceptionally well during his tenure with OCII. Further, Mr. Elliott's expertise and accumulated knowledge on financial matters related to HPS and Candlestick Point (including project proformas), and his knowledge of the Phase 1 and Phase 2 DDAs (including their Financing Plans, associated vertical disposition and development agreement requirements, and appraisal reviews for Phase 1 land values) make him uniquely qualified to provide these services, and would be critical to the continued negotiation and implementation of the provisions of the Phase 1 and Phase 2 DDAs.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

C.H. Elliott & Associates provides real estate and fiscal consulting services in association with the implementation of the Phase 1 and Phase 2 DDAs and is statutorily exempt from the California Environmental Quality Act ("CEQA") Guidelines Section 15262 (Feasibility and Planning Studies).

(Originated by Philip Millenbah, Development Specialist)

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Nadia Sesay
Executive Director