

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 39 - 2016

**APPROVING THE SELECTION OF TENDERLOIN NEIGHBORHOOD
DEVELOPMENT CORPORATION AND YOUNG COMMUNITY DEVELOPERS FOR
THE DEVELOPMENT OF 140 AFFORDABLE RENTAL HOUSING UNITS
(INCLUDING ONE MANAGER'S UNIT) FOR LOW INCOME AND FORMERLY
HOMELESS FAMILIES AT CANDLESTICK POINT NORTH BLOCK 10A; BAYVIEW
HUNTERS POINT REDEVELOPMENT PROJECT AREA**

- WHEREAS, In furtherance of the objectives of the California Community Redevelopment Law (Health and Safety Code, section 33000 *et seq.* the “CRL”), the Redevelopment Agency of the City and County of San Francisco (the “Former Agency”) undertook programs for the reconstruction and construction of blighted areas in the City and County of San Francisco (“City”); and,
- WHEREAS, In accordance with the CRL, the City, acting through its Board of Supervisors, approved a Redevelopment Plan for the Bayview Hunters Point Redevelopment Project Area (the “Project Area”) by Ordinance No.113-06, adopted on May 16, 2006. The Redevelopment Plan is referred to as the “Bayview Hunters Point Redevelopment Plan.” In cooperation with the City, the Former Agency was responsible for implementing the Bayview Hunters Point Redevelopment Plan; and,
- WHEREAS, Pursuant to California Health and Safety Code §§ 34170 *et seq.* the “Redevelopment Dissolution Law”), the Former Agency was dissolved as of February 1, 2012; and,
- WHEREAS, The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (commonly known as the Office of Community Investment and Infrastructure) (the “Successor Agency” or “OCII”) is completing the enforceable obligations of the Former Agency in the Project Area, under the authority of the CRL as amended by the Redevelopment Dissolution Law, and under San Francisco Ordinance No. 215-12 (Oct. 4, 2012) (establishing the Successor Agency Commission (“Commission”) and delegating to it state authority under the Redevelopment Dissolution Law); and,
- WHEREAS, The Candlestick Point and Hunters Point Shipyard Phase 2 Disposition and Development Agreement (the “Phase 2 DDA”) between CP Development Co. LP (“Master Developer”) and the Former Agency provides for the development of approximately 700 acres that includes the second phase of the Shipyard and the entire Candlestick Point area (“Phase 2 Project”). The Phase 2 DDA calls for 10,500 new housing units, 32% of which will be below market rate; and,
- WHEREAS, On December 14, 2012, the California Department of Finance (“DOF”) determined “finally and conclusively” that the Phase 2 DDA and tax allocation pledge

agreements, including the affordable housing programs are enforceable obligations under the Dissolution Law; and,

WHEREAS, At the Commission's public hearing on February 16, 2016, the OCII Executive Director and Staff presented a Housing Development Request for Proposals (the "RFP") for (a) the development and management of up to 150 units of affordable rental housing for low income and formerly homeless families located at Candlestick Point South Block 11a ("CPS 11a") and (b) the development and management of up to 140 units of affordable rental housing for low income and formerly homeless families located at Candlestick Point North Block 10a ("CPN 10a"). After review and discussion of the RFP, the Commission did not object to its issuance and subsequently, on February 18, 2016, OCII issued the RFP; and

WHEREAS, OCII staff made extensive outreach efforts to attract submittals from qualified developers by the April 27, 2016 deadline. The RFP set forth specific submission requirements to be met in order to be fully reviewed by OCII staff, and strongly encouraged applicant teams to involve Southeast community partners in accordance with Sections 5.1(b) (Agency Community Builder Protégé Program) and 5.1 (c) (Agency Community Partners) of Attachment G to the Phase 2 DDA (Community Benefits Plan); and

WHEREAS, OCII formed two separate evaluation panels to review proposals for CPS 11a and CPN 10a, respectively. The two eight-member panels consisted of one member from the Hunters Point Shipyard Citizens Advisory Committee, a representative from the Department of Homelessness and Supportive Housing, a representative from the Mayor's Office of Housing and Community Development and OCII staff including the Senior Project Manager for Hunters Point Shipyard and Candlestick Point, an architect, and three OCII housing staff members (the "Evaluation Panels"); and,

WHEREAS, OCII staff received four submittals for each parcel, all of which met the minimum threshold requirements defined in the RFP. After a thorough review of the submittals and interviews with each team, the Evaluation Panel for CPN 10a initially determined that the proposal submitted by San Francisco Housing Development Corporation and Mercy Housing California with designer Leddy Maytum Stacy Architects had the highest ranking for CPN 10a because the proposal was most responsive to the RFP criteria. Nonetheless, OCII staff, after learning that this same team was also being recommended for CP 11a concluded that OCII's policies and commitments to provide maximum opportunities for a variety of small businesses and community organizations supported having a different development team assigned to each parcel. Involving more than one Southeast community partner in the development of the two parcels is also consistent with Section 5.1(c) (Agency Community Partners) of Attachment G to the Phase 2 DDA (Community Benefits Agreement) which states that the "agency will keep within its customary practice of using good faith efforts to involve community partners in the development.... of Agency affordable units." Accordingly, the Evaluation Panel determined that the second highest scoring and highly qualified development team led by Tenderloin Neighborhood Development Corporation and Young

Community Developers with designer Herman Coliver Locus Architecture was well-qualified and suited to develop CPN 10a (the “CPN 10a Development Team”); and

WHEREAS, The recommendations of the evaluation panels were presented to the Hunters Point Shipyard Community Advisory Committee (“CAC”) Housing Subcommittee in July and to the full CAC in August of 2016; the CPN 10a Development Team also made presentations on its proposals during those meetings. On July 21, 2016 there were no objections by the Housing Subcommittee to the recommendations and on August 8, 2016 the full CAC voted in favor of moving the recommended CPN 10a Development Team to the OCII Commission for approval; and,

WHEREAS, OCII staff submitted an Informational Memorandum to the Commission on July 19, 2016 to provide an update on the RFP process, interviews and evaluation panels’ recommendations; and,

WHEREAS, After adoption of this resolution, OCII staff will return to the Commission to request authorization to enter into an Exclusive Negotiations Agreement and Predevelopment Loan with the CPN 10a Development Team for each parcel in the coming months;

WHEREAS, The selection of a developer for CPN 10a is an administrative activity that does not constitute a “Project” as defined by the California Environmental Quality Act (“CEQA”) Guidelines Section 15378(b)(5), will not independently result in a physical change in the environment, and is not subject to environmental review under CEQA; now therefore, be it

RESOLVED, The Commission approves the selection Tenderloin Neighborhood Development Corporation and Young Community Developers as the CPN 10a Development Team.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of August 16, 2016.

Commission Secretary