MEMORANDUM

TO: Agency Commissioners

FROM: Fred Blackwell, Executive Director

SUBJECT: Endorsing the Shipyard Legacy Fund Report, including its recommendations regarding investment priorities and a quasi-public entity to implement the community benefits program of the Disposition and Development Agreement for the Hunters Point Shipyard; Hunters Point Shipyard Redevelopment Project Area

EXECUTIVE SUMMARY

The Disposition and Development Agreement Hunters Point Shipyard-Phase 1 (“DDA”) between the Agency and Lennar-BVHP, LLC (“Developer”), provides for a revenue sharing plan in which the net proceeds from land sales will be shared between the Agency and the Developer. Under Attachment 23 of the DDA (see Attachment 1), the Agency will use its share of the net land proceeds (“Investment Funds”) for enhanced community benefits related to the Hunters Point Shipyard (“Shipyard”) and the greater Bayview Hunters Point (“BVHP”) community. The DDA also requires the Agency to collaborate with the BVHP community to form an independent quasi-public entity (“QPE”) that will be responsible for advising the Commission on the distribution of the Investment Funds. On July 19, 2005, the Commission adopted Resolution No. 117-2005 authorizing a personal services contract (“Contract”) with the Urban Strategies Council (“USC”), a California nonprofit corporation and its sub-consultant, PolicyLink (together, the “Consultants”), to provide technical assistance and outreach services to the Hunters Point Shipyard Citizen’s Advisory Committee (“CAC”) and the BVHP community in connection with the formation of a QPE.

Since September 2005, the Consultants, in collaboration with the Agency and the CAC, have held over twenty-five public meetings on this project. As a result of the community engagement process, the Consultants composed two reports: 1) “Development of a Community Benefits Investment Roadmap” (see Attachment 2) and 2) “Designing a Quasi-Public Entity to Direct the Shipyard Legacy Fund” (see Attachment 3). Together these reports are referred to as the “Shipyard Legacy Fund Report” (or the “Report”). The Report outlines the community’s conclusions on six investment priority areas and an initial set of program investments for the Investment Funds, and as the QPE’s organizational structure (collectively the “Program Elements”).


The Shipyard Legacy Fund Report included recommendations for use of the net proceeds and may eventually result in physical changes of the environment; however, endorsement of the Report will
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not independently result in any physical environmental changes. The Report qualifies as a planning and feasibility study that is exempt from the California Environmental Quality Act ("CEQA"), pursuant to CEQA Guidelines Section 15262.

Staff recommends that the Commission endorse the Shipyard Legacy Fund Report.

BACKGROUND

The DDA between the Agency and the Developer provides for a revenue sharing plan in which the net proceeds from land sales will be shared between the Agency and the Developer. Under Attachment 23 of the DDA, the Agency will use the Investment Funds for enhanced community benefits related to the Shipyard and the greater BVHP community. The DDA also requires the Agency to collaborate with the BVHP community to form an independent QPE that will be responsible for advising the Commission on the distribution of the Investment Funds.

A Request for Proposals ("RFP") was issued on December 15, 2004, to engage a team of consultants to provide technical advice to the CAC during the planning process for the formation of the QPE. Section 2.2 ("Key Principles"), Section 3.1 ("Agency Account, Permitted Uses"), Section 3.2 ("Community Benefits Budget"), and Section 3.3 ("Records and Reporting") of Attachment 23 provide an outline for the framework within which the QPE will be formed and operated, and was the foundation for the RFP.

On July 19, 2005, the Commission adopted Resolution No. 117-2005 authorizing a Contract with USC for $285,922, to provide technical assistance and outreach services to the CAC and the BVHP community in connection with the formation of a QPE. The Commission approved a First Amendment to the Contract on February 7, 2006, by Resolution No. 14-2006, to provide additional funds in the amount of $77,000, to implement a community engagement plan. On December 19, 2006, by Resolution No. 162-2006, the Commission approved a Second Amendment to the Contract. The Amendment was to extend the Contract’s term for an additional six months (on a month-to-month basis) and to increase the contract amount by $26,662 for a total aggregate amount of $389,584, to allow USC and the CAC additional time to gather more input from the various BVHP stakeholders.

DISCUSSION

Programmatic Research and Community Engagement Process

As the starting point for this project, USC summarized over fifty BVHP-focused needs assessments and community plans, and identified 238 service providers and 428 programs in Supervisorial District 10. USC collected and analyzed these needs assessments and community plans as a basis to work with the community to identify priorities for the Investment Funds and presented preliminary findings at a community workshop during March 2006. To further refine the needs analysis USC surveyed the service provider organizations noted in the studies. The results of the survey were incorporated into a final comprehensive report identifying potential community needs and presented the report to the community at a workshop in June 2006 along with USC’s initial recommendations for investment priority areas.
At the June 2006 workshop, attendees participated in an exercise where they discussed the community’s unmet needs, considered the initial investment priority areas, and selected six key investment areas of focus. Additional workshops were held in September and November 2006 to allow for additional community input regarding investment priority areas, potential investment strategies, an initial set of program investments, and the organizational structure of the QPE. In total, over twenty-five public meetings were held in the community on this project.

Community Recommendations

As a result of the community engagement process, the Consultants composed two reports: 1) "Designing a Quasi-Public Entity to Direct the Shipyard Legacy Fund" and 2) "Development of a Community Benefits Investment Roadmap," which make up the Shipyard Legacy Fund Report and outline the community's conclusions on the Program Elements. The CAC gave its final approval of the Report at its August 22, 2007 meeting. A summary of the Program Elements outlined in the Report is provided below.

Investment Priority Areas

At the June 2006 workshop, attendees participated in an exercise where they discussed the community’s unmet needs. It was decided at the workshop that the community investments should be clustered so as to create synergy amongst the investment areas and that economic development would be the guiding investment priority. At the conclusion of the meeting, the community selected the following key investment areas of focus for program development:

1. Youth development;
2. Services for elders;
3. Arts culture and recreation; and
4. Health, environment and safety

Initial Set of Program Investments

Over the summer of 2006, USC participated in sessions with the CAC to further develop the priorities for the Investment Roadmap and to adopt a preliminary program outline. Subsequently, the CAC identified the following areas as the initial set of program priorities, which the Agency’s net land proceeds should be expended on:

1. Allocating resources to support community-based planning and development capacity;
2. Developing a multi-service center to help BVHP residents reach financial goals;
3. Creating a grant making environmental justice fund;
4. Investing in a signature economic development project; and
5. Developing the six acre Community Facilities Parcels to its best use.
**QPE Organizational Structure**

The final phase of this project was completed in July 2007 when the following organizational formation recommendations were approved by the CAC regarding the QPE's legal and tax-status, governance, operations, and finances:

1. The QPE should be a Nonprofit Public Benefit Corporation with federal and California tax exemptions;

2. Representatives from the Agency, the City, the CAC, and a BVHP resident should serve as the “Original Incorporators” of the QPE; filing the Articles of Incorporation, selecting the initial board of ten directors (a full board of 17 directors is recommended), and working with the new board to adopt the QPE’s by-laws;

3. The initial board should be comprised of members appointed by the CAC, the BVHP Project Area Committee, the Commission, the City, and organizations representing the BVHP small business, faith, and public housing tenants’ communities;

4. The QPE will seek out existing BVHP organizations to carry out programs but may choose to operate some internally;

5. During the QPE’s start up period, a fiscal sponsorship arrangement with a non-profit organization should be established to serve as the QPE’s fiscal agent;

6. The QPE would operate in conformance with Attachment 23 of the Shipyard Phase 1 DDA (including the annual budget approval process), California Community Redevelopment Law, and all other applicable laws, rules, and regulations regarding conflict of interest, public and open meetings, and public records; and

7. In reviewing and approving any proposed use of net land sale proceeds by the BVHP Representative Entity for any Permitted Use, the Agency shall give great deference to the recommendations of the BVHP Representative Entity.

**Next Steps**

Upon the Commission’s endorsement of the Shipyard Legacy Fund Report, staff will begin working with the CAC to incorporate the QPE and work with the Original Incorporators to select the ten-member board of directors. Once the QPE is in place, staff will work with both the CAC and the QPE to develop a detailed budget for the Investment Funds in accordance with the annual budgeting process that is set forth in Attachment 23 of the DDA.

**California Environmental Quality Act (CEQA)**

The Shipyard Legacy Fund will provide guidance for the expenditure of net proceeds from land sales in the Hunters Point Shipyard Redevelopment Project Area. The Shipyard Legacy Fund Report included recommendations for use of the net proceeds and may eventually result in physical changes of the environment; however, endorsement of the Report will not independently result in any physical environmental changes. Accordingly, the Shipyard Legacy Fund Report
qualifies as a planning and feasibility study that is exempt from CEQA, pursuant to CEQA Guidelines Section 15262.

*Originated by Thor Kaslofsky, Assistant Project Manager, Hunters Point Shipyard*

Fred Blackwell  
Executive Director
This document contains a summary of major activities, recommendation and decisions by the Shipyard Citizens Advisory Committee (CAC) and the San Francisco Redevelopment Agency Commission for the creation of the Shipyard Legacy Fund. Most documents referred to in this report can be obtained online at http://www.urbanstrategies.org/slfp/index.html

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WHAT ARE THE TASKS THAT THE CAC MUST ACCOMPLISH IN ORDER TO IMPLEMENT THE SHIPYARD LEGACY FUND?

Background
The CAC needs to make recommendations to the Redevelopment Commission in three areas:
1. What are the priority investment areas;
2. What are the initial investment strategies (“investment roadmap”); and
3. What is the organizational structure for managing and investing the funds (Quasi-Public Entity or QPE).

Summary of CAC Activities and Actions
1. Hired a consultant, Urban Strategies Council, to work with the CAC and Redevelopment Agency to develop CAC recommendations.
2. Established a Supervisory Team, composed of the CAC Executive Committee and representatives from the Mayor’s Office of Community Development, the District 10 Supervisor’s office and the Redevelopment Agency to supervise the work of the consultants.

Relevant Documents
1. Disposition and Development Agreement (Attachment 23)
2. Request for Proposals

I. RECOMMENDATION AREA 1: WHAT ARE THE PRIORITY INVESTMENT AREAS?

Background
The first of the three areas of recommendations that the CAC must make to the Redevelopment Commission is to identify priority needs that the initial investments of the SLF should address. The contract called for the consultants to synthesize existing community needs assessments and plans (Task 1) and to conduct a census of existing services and providers (Task 2) in order to determine gaps in services and to prioritize community needs.

Activities
1. The consultants conducted a synthesis of needs assessments for BVHP and did a survey of services and providers resulting in a report and two databases containing the collected information
2. The consultants conducted a community briefing on March 18, 2006 to present their preliminary findings from the needs assessments and survey of services and providers.
3. The Supervisory Team, supported by the consultants, conducted a special session for the full CAC on June 1, 2006 to: review the needs assessments and services and providers survey; to begin identifying priorities for the SLF; and to gather public input on priorities.

4. On June 17, 2006, The CAC, supported by the consultants conducted a community workshop on priorities for the SLF.

**Summary of CAC Action**

At its July 10, 2006 meeting, the CAC adopted the following recommendations based on the work the Supervisory Team and the SLF consultant on priority areas of investments for the Shipyard Legacy Fund

1. Select single area or a cluster of related community building areas to serve as an “engine” of change.

2. The SLF establishes economic development--with an emphasis on employment, housing and financial and asset development-- as the priority for investment.

3. Select specific investments based on whether they address one or more of the other key areas of focus established by the community including: youth development; services for elders; arts culture and recreation; and health, environment and safety.

**Relevant Documents:**

1. Shipyard Legacy Fund Report: Findings from the Analysis of Comprehensive Needs Assessments (Task 1) and Census of Community-Based Services and Providers (Task 2)
2. Shipyard Legacy Fund Database of Needs Assessments and Community Plans for Bayview Hunters Point: Automated Access to Categorized Community Development Plans
3. Shipyard Legacy Fund: Summary of June 17, 2006 Citizens Advisory Committee (CAC) Community Workshop I and Follow-up

**II. RECOMMENDATION AREA 2: WHAT ARE THE INITIAL INVESTMENT STRATEGIES FOR THE SHIPYARD LEGACY FUND (“INVESTMENT ROADMAP”)?**

**Background**

The second area of recommendations from the CAC to the Redevelopment Commission will focus on development of an “investment roadmap” to guide the initial investment and use of the SLF resources. The consultants have worked with the Supervisory Team to identify tools that will assist the CAC and community in determining the best investments for the SLF resources given the priorities identified in Recommendation Area I, above.

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1 All documents can be found at [www.urbanstrategies.org/slfp](http://www.urbanstrategies.org/slfp)
Activities
1. The consultants have prepared a basic introduction to community investment and a set of tools to assist the CAC and community in deciding on priorities and strategies for investment of SLF assets.
2. The Supervisory Team, supported by the consultants, conducted a special session for the full CAC on August 22, 2006 on possible investment and program strategies for the SLF fund.
3. On September 9, 2006, The CAC, supported by the consultants conducted a community workshop to gather community input on the investment roadmap.
4. At the October 16, 2006 CAC meeting, the Supervisory Team will present to the CAC the recommendations of the Supervisory Team and the consultants on the investment roadmap for the SLF.

Summary of CAC Action
At its October 16, 2006 meeting, the CAC considered adopting the following recommendations based on the work the Supervisory Team and the SLF consultant on priority areas of investments for the Shipyard Legacy Fund:

Recommendations on How to Invest and Spend:
1. The SLF should place the majority of the money it receives into an endowment and use the earnings from the endowment to fund its operating costs and projects. The remainder of the funds should be placed in direct investments and spending to meet current needs.
2. The percent of SLF money that goes into the endowment and the percent that goes to direct spending should be decided after the CAC knows how much the SLF will receive and when.
3. In making decisions on the amount of money placed in an endowment or allocated for direct spending, funds need to be set aside for the operating expenses of the Quasi-Public Entity (QPE).

Recommendations on What to Invest In and Spend On:
The following recommendations are in order of priority.
1. Create a Community Benefits Project which builds community capacity to influence economic development decisions and to reap community benefits from economic development projects and policies affecting the BVHP Area. This would provide the community with planning, financial, legal, and community organizing expertise related to economic development. Fund this project from direct spending initially and, later, from endowment earnings. Require matching funds from public and private sources.
2. Create a Center for Working Families, a centrally-located, multi-service center with strong links to existing service providers, especially local employment training providers, adult education and higher education resources, and support services like
childcare and transportation providers. The Center would help residents reach economic goals by offering financial education classes and one-to-one coaching and peer counseling, easy to access banking services, free tax preparation and counseling, micro lending services, and matching funds for Individual Development Accounts (IDA) savings accounts.

3. Create an **Environmental Justice Fund**, to help address the disproportionate environmental impacts suffered by people living and working within the Bayview Hunters Point Area. The Hunter’s Point Shipyard is a federal Superfund Site and is a facility whose Naval past, present and future civilian environmental status is relational to the well being of the surrounding neighborhood. The fund would provide grants, loans and financial assistance to organizations, small businesses and residents to prevent or redress the impacts of environmental pollution on public health and thus enhance overall SLF efforts towards sustainable and equitable economic growth.*

4. Seek to identify a **Signature Economic Development Project** that will yield a “Double Bottom Line”- both a financial and a social return on investment. Depending on the timing of the investment and the amount needed, fund the signature project from endowment earnings or direct spending. Require that SLF be used in projects that leverage other investments.

5. Decide whether the **Community Parcels** will be a suitable location for the Signature Economic Development Project. If not, gather information to determine potential uses for the parcels. Potential uses include sighting for community facilities, sighting for revenue-generating investment, whether “Double Bottom Line” or not, or owned as a real estate asset to be kept, traded or used in some other way to maximize return on investment.

*Recommendation 3 was added after the 10/16/06 CAC meeting in response to a motion adopted at that meeting that the Shipyard Legacy Fund Initial Investment Roadmap recommendations should include a recommendation for the creation of an Environmental Justice Fund.

**Background Reports and Documents**

1. Urban Strategies Council’s Recommendations to the CAC Regarding Shipyard Legacy Fund Priority Investment Areas
2. Summary Chart of Recommendations for Investment Roadmap for the Shipyard Legacy Fund
3. Handout Packet from the September 9, 2006 Community Workshop on the Investment Roadmap

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2 All documents can be found at [www.urbanstrategies.org/slp](http://www.urbanstrategies.org/slp)
III. RECOMMENDATION AREA 3: WHAT IS THE ORGANIZATIONAL STRUCTURE FOR MANAGING AND INVESTING THE FUNDS (QUASI-PUBLIC ENTITY OR QPE)?

Background
The third area of recommendations from the CAC to the Redevelopment Commission will focus on the appropriate organizational structure to manage and administer the SLF resources. The consultants conducted a national scan of similar community funds to identify models that might be appropriate for the SLF, taking into consideration the types of investments and activities that the SLF will undertake. The work resulted in a report and recommendations on the functions and structure of a quasi-public entity to manage and administer the SLF.

Activities
1. The consultants prepared a preliminary document for review by the CAC which identifies criteria for the QPE and possible functions
2. The consultants worked with the Supervisory Team to design a special session for the CAC on the QPE on October 23, 2006 (from 6:00 pm to 8:00 pm at the Southeast Community Facility, Pitcher Room).
3. The consultants supported the CAC in conducting a community workshop on November 4, 2006 (from 10:00 am – 1:00 pm Bayview Opera House) to gather community input and advice on the QPE.
4. The consultants supported the CAC in conducting a community workshop on May 19, 2007 on 3 examples of QPE’s from around the country.

Summary of CAC Action
The CAC unanimously accepted the consultants’ recommendations at the July 9, 2007 CAC meeting.

Overview of Recommendations on the Organizational Structure the Quasi-Public Entity (QPE).
1. The QPE should be a Nonprofit Public Benefit Corporation.
2. The QPE shall be governed by an independent board of directors.
3. The QPE will have the option of carrying out its program priorities through the direct work of its staff and through relationships with other organizations.
4. The QPE will need to secure a fiscal agent.

Detailed Recommendations on Legal Structure, Tax Status and Start-up Issues
1. The QPE should be a Nonprofit Public Benefit Corporation.
   A. Multiple Organizations.
      Once established, the QPE should consider creating and controlling one or more
additional for-profit and/or nonprofit corporations to carry out elements of its mission.

B. **Original incorporators.**

- Original incorporators (Incorporating Board) should serve as the original incorporators of the QPE, filing and signing the Articles of Incorporation
  - The Director of the San Francisco Redevelopment Agency,
  - A representative from the Mayor’s Office,
  - The District 10 Supervisor,
  - One well-respected resident of the BVHP, neighborhood selected by the CAC, and
  - 3 members of the Citizens Advisory Committee

C. **Start-up period.**

- The original incorporators would oversee the selection of an initial board of directors. They would also set up the initial board meeting of the QPE and work with the new board to prepare and adopt the Bylaws for the QPE.

D. **Tax Status.**

- The QPE should apply for federal tax exemption as a 501(c)3 public charity and state tax exemption under Section 23701d of the Revenue and Taxation Code.

**Detailed recommendations on Governance**

2. **The QPE shall be governed by an independent board of directors.**

A. **Relationship to SFRA**

- The SFRA should have one seat on the board of directors.
- The SFRA should approve the portion of the QPE annual budget that pertains to the expenditure of the principal funds that the agency has transferred to the QPE.
- The SFRA should not have the authority to change the policy decisions of the QPE unless activities are legally impermissible.

B. **Type of board**

- The governing board of the QPE should be what is generally known as a “policy board.”

C. **Board size**

- The QPE board should be medium-sized, with 17 voting members.

D. **Board member selection**

- The founding board of the QPE should be made up of 10 initial appointments and 7 remaining members. The initial 10 appointments will include decision makers from the following organizations.
  - CAC – 1 member
  - BVHP Redevelopment Project Area Committee – 1 member
  - San Francisco Redevelopment Commission – 1 member
  - Mayor’s Office of Community Development – 1 member
  - District 10 Supervisor – 1 member
  - Organization representing BVHP small business community – 1 member
  - Organization representing BVHP faith community – 1 member
  - 6 BVHP public housing tenants’ organizations – 3 members
The 10 appointed members select the additional 7 members with attention to diversity including:

- The majority reside in the BVHP area
- Represent the needs of all residents with particular attention to the needs of low-income populations.
- Represent different neighborhoods within the BVHP area
- Represent major racial/ethnic groups present in the community (African American, Latino, Asian/Pacific Islander, Caucasian)
- Youth participation (there should be 2 youth participants to provide support for each other)
- Seniors participation
- Technical expertise relevant to project activities

E. Board Terms
The terms of the initial Board members shall be determined by lots with board members drawing terms of 1, 2 or 3 years. A limit of two terms should be considered.

F. Board composition
The QPE should strive through appointments and/or outreach and procedures for elections to ensure that the board membership should be representative of the diversity of the community.

G. Board Officers and Committees
The Bylaws of the board should establish officers and standing committees, as well as temporary committees if and when they are needed.

H. Board procedures and policies
The initial board will draft Bylaws. These Bylaws should include the following components: Meeting Notice, Open Meetings, Quorum, Suspension or removal, Replacement of appointed members, Decision-making, Conflict of Interest.

I. Advisory Boards
The QPE may also choose to establish one or more advisory boards to obtain additional counsel from groups that the QPE seeks to benefit and engage or on particular organizational activities.

Detailed recommendations on Operations

3. The QPE will have the option of carrying out its program priorities through the direct work of its staff and through relationships with other organizations.

A. Use of BVHP Area Resources.
The QPE shall engage qualified BVHP organizations in carrying out its programs or services unless there is no local organization with capacity or for any functions core to its mission.

B. Staffing.
The initial board of directors should hire an Executive Director for the QPE. The Executive Director will lead the recruitment and selection process for other staff.

C. Use of Consultants, Contractors, and Partnerships
- The QPE should adopt a policy that outlines its procedures for entering into contractual relationships to specify when sole sourcing is appropriate and when
competitive bidding is required, and the rules governing public access to information regarding contract information.

- The QPE shall establish a first source policy which shall give preference to BVHP businesses and residents.

**Detailed recommendations on Finances**

4. The QPE will need to secure a fiscal agent.
   
   **A. Start Up- Fiscal Agent**
   
   The QPE should establish a fiscal sponsorship arrangement with a nonprofit 501(c) 3 tax-exempt organization that would serve as its fiscal agent to receive and administer any funds contributed to the QPE.

   **B. Start Up- Registration with the Attorney General**
   
   The QPE needs to register with the California Attorney General within 30 days after receipt of assets.

   **C. Long Term Sustainability**
   
   The QPE will be structured to maximize its opportunities to receive additional sources of operating funds and investment capital from government, philanthropic, or private sector sources, and to leverage its existing sources to accomplish greater community benefits.

**Compliance with the Development and Disposition Agreement Requirements for the QPE.**

The QPE will comply with local and state laws regarding:

- Open meetings
- Public records
- Conflict of interest
- Contracting and purchasing

**Background Reports and Documents**

1. July 3, 2006 and September 20, 2006 Memos from PolicyLink titled: Update on Research to Develop a Structure for the Quasi-Public Entity to Direct the Shipyard Legacy Fund
3. Summary report, handout packet, and DVD from the May 19th Workshop on QPE models.
4. July 9, 2007 Powerpoint Presentation to the CAC titled: Process Overview and CAC Recommendations to Date-- Presentation to Hunters Point Shipyard Citizens Advisory Committee.
IV. SAN FRANCISCO REDEVELOPMENT COMMISSION ACTION

Background
The consultants’ contract called for the CAC and the consultants to provide two workshops to the Commission to apprise Commissioners of the process and outcomes of the consultants work with the CAC and the community. On January 16, 2007 the Agency staff and consultants provided the Commission with a workshop that detailed the process and recommendations of the CAC to date. A second workshop was conducted on September 18, 2007 to present the final recommendations of the forward the recommendations of the CAC to the Commission for final action.

Activities
At the October 2, 2007 SF Redevelopment Commission Meeting, the Commission heard a presentation from staff and the Consultant Team on the entire package of recommendations approved by the CAC regarding the Investment Roadmap and the Quasi-Public Entity. The Commission also received public comment regarding the recommendations of the CAC

Summary of Commission Action
At its October 2, 2007 meeting, the Commission took action through Resolution No. 110-2007 as follows:

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that it endorses the Shipyard Legacy Fund Report, which is attached to the Commission Memorandum in support of this Resolution and identified as Attachments Two (Task 3 report and Recommendations on the Investment Roadmap) and Three (Task 4 Report and Recommendations on the Quasi-Public Entity) of the Commission Memorandum.

Background Reports and Documents
1. SHIPYARD LEGACY FUND: Process Overview and CAC Recommendations
   Presentation to The San Francisco Redevelopment Commission, September 18, 2007
Shipyard Legacy Fund Report

Findings from the Analysis of
Comprehensive Needs Assessments (Task 1)
and
Census of Community-Based Services and Providers
(Task 2)

May 22, 2006

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<td>Strategies and Challenges</td>
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<td>HOUSING</td>
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<td>Existing Needs Assessments</td>
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<td>Priorities and Critical Problems</td>
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<td>Existing resources</td>
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<tr>
<td>Strategies and Challenges</td>
<td>18</td>
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<tr>
<td>FINANCIAL SERVICES &amp; ASSET DEVELOPMENT</td>
<td>20</td>
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<tr>
<td>Existing Needs Assessments</td>
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<td>Priorities and Critical Problems</td>
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<td>SOCIAL SERVICES</td>
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<td>Existing Needs Assessments</td>
<td>22</td>
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<td>Priorities and Critical Problems</td>
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<td>Existing Resources</td>
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<td>Strategies and Challenges</td>
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<td>EDUCATION</td>
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<td>Existing Needs Assessments</td>
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<td>Priorities and Critical Problems</td>
<td>24</td>
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<tr>
<td>Existing Resources</td>
<td>24</td>
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<tr>
<td>Strategies and Challenges</td>
<td>25</td>
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<tr>
<td>HEALTH CARE</td>
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<td>Existing Needs Assessments</td>
<td>27</td>
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<tr>
<td>Priorities and Critical Problems</td>
<td>27</td>
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<tr>
<td>Existing Resources</td>
<td>27</td>
</tr>
<tr>
<td>Strategies and Challenges</td>
<td>29</td>
</tr>
<tr>
<td>ARTS, CULTURE, MEDIA AND RECREATION</td>
<td>30</td>
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<td>Existing Needs Assessments</td>
<td>30</td>
</tr>
<tr>
<td>Priorities and Critical Problems</td>
<td>30</td>
</tr>
<tr>
<td>Existing Resources</td>
<td>30</td>
</tr>
<tr>
<td>Strategies and Challenges</td>
<td>31</td>
</tr>
<tr>
<td>YOUTH DEVELOPMENT</td>
<td>32</td>
</tr>
<tr>
<td>Existing Needs Assessments</td>
<td>32</td>
</tr>
</tbody>
</table>
INTRODUCTION

In the Request for Proposals (RFP) for the Hunters Point Shipyard (HPS) Community Benefits Agreement consultant, Task 1 and Task 2 called on the consultant team to conduct a Comprehensive Needs Assessment and a Services Census of the Bayview Hunters Point (BVHP) Area. The Disposition and Development Agreement for the HPS defines the BVHP Area as the parts of ZIP Codes 94124, 94134 and 94107 that are within Supervisory District 10. The RFP states:

“The purpose of the Comprehensive Needs Assessment is to identify and appraise community services that are under-provided or nonexistent in the BVHP Area.”

“The purpose of the census and analysis of community-based programs and providers (“Services Census”) is to establish a basis for Task 1. The Consultant shall identify and assess existing programs and providers in the BVHP Area that increase opportunities for the community and improve the quality of life for its residents.”

This report is a combined analysis of the results of our Comprehensive Needs Assessment (Task 1) and our Census and Analysis of Community-Based Service Programs and Providers (Task 2). It is intended to inform the process of selecting the initial menu of activities (the “roadmap”) that the CAC will recommend be undertaken by the body that will govern Shipyard Legacy Fund (SLF) activities. The Disposition and Development Agreement defines this body as a Quasi-Public Entity (QPE).

In addition to this report, we have prepared a database of service providers in the BVHP Area and a database of the documents we analyzed for the Comprehensive Needs Assessment.

This report and those two databases constitute the deliverables for Task 1 and Task 2. We hope they provide useful insights into the services that exist in the BVHP Area, the needs of that community and the gaps that exist between needs and services.
METHODS

We categorized Task 1 documents and Task 2 services by 13 community-building areas\(^1\). These are areas that are commonly identified within the community-building field as key to the creation of healthy thriving communities.

**TASK 1 DATA COLLECTION-THE COMPREHENSIVE NEEDS ASSESSMENT**

We used inquiries to the San Francisco Redevelopment Agency (SFRA) and the Community Advisory Committee (CAC), Internet searches, interviews with key informants and document reviews to identify 104 needs assessment, reports, community planning documents and other documents that, in one way or another, described conditions or proposed action to improve conditions in the BVHP Area. The documents were produced as recently as July 2005 and as long ago as 1994. We were able to locate and obtain 52 of these documents through Internet searches, requests to the agencies or authors, and by in-person inquiries at public agencies and other organizations.

A few of the reports comprehensively addressed all or nearly all of the community-building areas, many addressed several areas and others focused on topics solely within one category\(^2\). For reports addressing multiple categories, our analysis is presented here by community-building areas and includes information from all reports with mentions of that area, regardless of the focus of the report. So, for instance, although we did not acquire any reports that had as their main focus arts and culture, our analysis of arts and culture issues was drawn from the seven documents that discussed arts and culture among other issues.

Table 1 displays the numbers of documents that either focused solely on or otherwise addressed each community-building area.

\(^1\) See Attachment A: *Community Building Areas* for a full listing of the community-building areas and sub-areas we used for Tasks 1 and 2

\(^2\) See Attachment B: *Documents Analyzed for Comprehensive Needs Assessment* for a list of documents we analyzed grouped by community-building area.
Table 1: Needs Assessments, Plans and Other Task 1 Documents by Community-Building Areas

<table>
<thead>
<tr>
<th>Community-Building Areas</th>
<th>Documents Focused on or Addressing This Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing</td>
<td>20</td>
</tr>
<tr>
<td>Economic Development</td>
<td>17</td>
</tr>
<tr>
<td>Health Care</td>
<td>14</td>
</tr>
<tr>
<td>Environmental Safety &amp; Enhancement</td>
<td>13</td>
</tr>
<tr>
<td>Education</td>
<td>11</td>
</tr>
<tr>
<td>Employment</td>
<td>10</td>
</tr>
<tr>
<td>Youth Development</td>
<td>9</td>
</tr>
<tr>
<td>Arts, Culture, and Recreation</td>
<td>6</td>
</tr>
<tr>
<td>Community Safety and Justice</td>
<td>6</td>
</tr>
<tr>
<td>Social Service</td>
<td>4</td>
</tr>
<tr>
<td>Transportation</td>
<td>4</td>
</tr>
<tr>
<td>Elder Services</td>
<td>4</td>
</tr>
<tr>
<td>Financial &amp; Asset Development</td>
<td>1</td>
</tr>
</tbody>
</table>

We read each of the documents and coded the contents according to the community building areas and sub areas used to organize the analysis. We determined the purpose for the production of the report, the methods used (if any) to ascertain need, whether each of the documents provided any prioritization of needs or actions and whether the document was informed by a community input process of any kind. We also prepared a summary in abstract form of each document. All of this information, as well as the agency and author producing the report and the date of the report, was entered into a Microsoft Excel® spreadsheet. This spreadsheet was transformed into the electronic database titled “Database of Needs Assessments and Community Plans for Bayview Hunter’s Point” as one of the deliverables for this task.

We then prepared summaries of each community building area, analyzing problems examined and solutions or strategies proposed. From that we constructed grids for analysis upon which we based our observations found in the report.
TASK 2 DATA COLLECTION – SERVICE AND PROVIDERS CENSUS

We constructed the Services Census of the BVHP Area by identifying as comprehensively as possible organizations, services and institutions that:

- Have an office or facility located in District 10 or
- Target programs and services to District 10 residents.

We used District 10 as a proxy for the BVHP area in Task 2 because a) many of our data sources were organized in that fashion and b) many providers serve residents from all neighborhoods in District 10.

Our sources for identifying these organizations included:

- The HelpLink Information & Referral Book
- Southeast Sector Resource Directory
- The Mayor’s Office on Community Development District 10 Website
- Bayviewmagic.com
- General Internet searches
- Interviews with key informants.

Through this process we were able to ascertain the name, location and general information for 302 programs, services or organizations, including 93 faith-based organizations. We did an initial identification of the services provided by each organization according to community-building areas, based on the source of information about the organization. A single organization could be classified as providing services or programs in as many areas as the available information on the organization warranted.

We then designed and administered a mail and Internet survey to verify the contact information for these organizations and to verify our classification of the service they provide.3 The survey also asked about these organizations’ operations, client capacity, organizational budgets and their directors’ perceptions about the needs for services and programs in District 10. We mailed survey packets to all 302 entities on January 6th 2006. Each packet contained an introductory letter from District 10 Supervisor Sophie Maxwell, copies of the survey with instructions and a postage-paid return envelope.

Respondents were given the option to complete the survey online as well, using a web-based survey administration tool known as Survey Monkey. Responses from returned, completed surveys were entered into the Survey Monkey database. Questions in the online version were identical to those in the paper survey. We mailed reminder cards on February 1st 2006 and placed reminder phone calls the week of February 13th 2006 to maximize the survey response rate.

Only 20 of the surveyed organizations (seven percent) responded to the survey. In addition to the reminder calls, we initiated telephone calls to the organizations verify their contact information.

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3 See Attachment C: Census of Community-Based Organizations Serving District 10 for a copy of the survey instrument used.
and existence and to ask them by phone to complete the survey. Through this process, we were able to confirm the contact information and types of services for 238 organizations, providing a total of 428 programs. These organizations are included in our final Services Census.4

Table 2 displays services categorized by community-building areas. These 18 areas were collapsed into the 13 areas for our analysis and descriptions.

Table 2:
BVHP Area Services by community-building areas.

<table>
<thead>
<tr>
<th>Community-based Organizations and Programs by Community Building Area</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Organizations</td>
<td>238</td>
</tr>
<tr>
<td>Total Programs</td>
<td>428</td>
</tr>
<tr>
<td>Alcohol &amp; Other Substance Abuse</td>
<td>9</td>
</tr>
<tr>
<td>Arts, Culture &amp; Recreation</td>
<td>43</td>
</tr>
<tr>
<td>Community Safety &amp; Justice</td>
<td>19</td>
</tr>
<tr>
<td>Economic Development</td>
<td>24</td>
</tr>
<tr>
<td>Education</td>
<td>77</td>
</tr>
<tr>
<td>Employment</td>
<td>55</td>
</tr>
<tr>
<td>Environmental Safety &amp; Enhancement</td>
<td>11</td>
</tr>
<tr>
<td>Financial &amp; Asset Development</td>
<td>15</td>
</tr>
<tr>
<td>Food &amp; Nutrition Services</td>
<td>20</td>
</tr>
<tr>
<td>Homeless Services</td>
<td>11</td>
</tr>
<tr>
<td>Housing</td>
<td>15</td>
</tr>
<tr>
<td>Legal Services</td>
<td>3</td>
</tr>
<tr>
<td>Medical Services</td>
<td>19</td>
</tr>
<tr>
<td>Mental Health Services</td>
<td>23</td>
</tr>
<tr>
<td>Services for Elders</td>
<td>13</td>
</tr>
<tr>
<td>Social Services</td>
<td>17</td>
</tr>
<tr>
<td>Transportation</td>
<td>3</td>
</tr>
<tr>
<td>Youth Development</td>
<td>51</td>
</tr>
</tbody>
</table>

**TASK 1 AND TASK 2 COMBINED ANALYSIS**

**Data Characteristics**

The data that we collected for Task 1 enabled us only to assess what the report authors, and the data or the informants they relied upon, indicated were significant community needs. The

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4 See Attachment D: *Community Based Organizations by Community Building Area* for a complete list of organizations by community building areas
purposes for the creation of the documents and the methods they used were extremely diverse. Many documents start with the assumption that a need is already established and mainly offer programmatic or other solutions. Others were documents that were required to enable a government action, such as Redevelopment Plans and Environmental Impact Reports. A standard measure which could be used to compare the need for various services across community-building areas could not be constructed from these documents.

The data from Task 2 allowed us to quantify how many programs are focused on each community-building area and on specific services within each area. We feel confident that our Services Census resulted in a comprehensive or nearly comprehensive list of service providers in the BVHP Area. However, the low response rate to our follow-up survey left us with little detailed information about programs and their budgets.

**Data Limitations**
From these data we could not:
- Systematically assess the need for services across community-building areas.
- Quantify dollars and resource spent, number of clients or effectiveness of programs.

**Data Strengths**
From these data we could:
- Select community-building areas that the data suggested were priorities
- Offer a detailed description of how many programs focused on each community-building area.

**Priority Community Building Areas**
Our analysis of the Task 1 documents and the Task 2 service providers enabled us to identify six community building areas that these data indicate are high priorities. These six areas were selected because they were all:
- Addressed in detail in multiple reports and
- Demonstrated through quantitative data to be an area of need and
- Demonstrated by a community input process to be an area of need and
- Mentioned frequently in our informal interviews with informants

The six community-building areas selected from this process are:
- Economic Development
- Employment
- Housing
- Youth Development
- Community Safety and Justice
- Elder Services

Table 3 displays the number of organizations focused on the selected community-building areas from our census of service providers in District 10. This provides a rough sense of resource prioritization in the area.
Table 3: Existing Services Focused on Selected Community Building Areas

<table>
<thead>
<tr>
<th>Community-Building Areas</th>
<th>Services Focused on This Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Development</td>
<td>24</td>
</tr>
<tr>
<td>Youth Development</td>
<td>51</td>
</tr>
<tr>
<td>Community Safety and Justice</td>
<td>19</td>
</tr>
<tr>
<td>Elder Services</td>
<td>13</td>
</tr>
<tr>
<td>Housing</td>
<td>15</td>
</tr>
<tr>
<td>Employment</td>
<td>55</td>
</tr>
</tbody>
</table>

We believe this list is comprehensive and multi-faceted enough to allow us to make some general observations and recommendations based on it. However, we offer two cautions. First, we would not recommend excluding or minimizing the importance of other areas based on this methodology. We simply used this method to establish initial community priorities based on the information available through this process.

Second, the reader will note that there is not necessarily a correlation between the priority areas identified here and the number of programs that exist to address that area. Regardless of the number of programs, we cannot say from the information we have whether there are sufficient resources for that area without a standard measure of need and more information about the quality of services, the numbers of persons served and the outcomes of specific programs.

**OBSERVATIONS ABOUT PRIORITY COMMUNITY BUILDING AREAS**

Two of these priority areas, youth development and elder services, have to do with the needs of specific sectors of the population. The needs of both of these groups were mentioned across the majority of community-building areas, including housing, employment, education, health care, social services, arts culture and recreation, community safety and justice and transportation. Additionally, several reports focused specifically on these populations. This suggests that addressing the needs and aspirations of these two age groups is a very important community value.

Three of these areas (economic development, housing and employment) are reflective of the need to intervene in the market as reinvestment in areas of long-term disinvestment occurs. The documents suggest that there is both a need to minimize the potential harm of that reinvestment (through for example market-driven displacement) and to maximize the benefits to the existing community from this re-investment (through access to employment and small business opportunities, for instance).
The final area, community safety and justice, was rated very high in every community survey as a need or a problem to be addressed, and was mentioned repeatedly on every informal interview we did with key informants. Yet it received relatively modest attention in the reviewed documents’ programmatic or policy recommendations and the organizational resources directed toward community safety and justice appear to be modest as well. (We caution again that more detailed investigation is needed to confirm this.)

**INITIAL RECOMMENDATIONS**

The following initial recommendations grow out of our early thinking about how to most effectively use these resources. *Note: These recommendations are independent of our recommendations about how and whether to preserve significant portions of the fund through investment vehicles.*

1. **Use Shipyard Legacy Fund resources to leverage and enhance existing resources and to add new capacity in strategic areas.**
   Fund resources, while not trivial, are modest enough to be quickly depleted if used solely to operate programs and services. In general, they should be used where other resources cannot, or where a relatively small resource commitment can have significant impact.

2. **Develop local capacity and expertise to monitor and intervene in economic development and investment activities.**
   Market-driven investment and economic development is proceeding in the BVHP Area and surrounding neighborhoods at a rapid pace. The challenge is to ensure that this market activity provides maximum opportunity and creates minimum disruption and harm to residents and small businesses. Despite the expertise and commitment of resident volunteers who serve on official community oversight bodies, the volunteer nature of these bodies objectively limits their capacity. This suggests to us the need to develop the paid capacity to monitor development and investment activities and deploy appropriate resources to intervene in that process. Some of those resources include planning expertise, community economic development and housing expertise, legal services and community organizing/resident engagement capacity. Boston’s Dudley Street Neighborhood Initiative is an example of an organization which has developed these capacities.
3  **Create a Community Information System**

We would recommend the creation a Community Information System that contains up-to-date, most geographically fine-grained data available to track neighborhood trends, needs and resources. This interactive technology tool can be used to help make informed decisions about the deployment of resources.

4  **Improve service delivery through increased collaboration, co-location, and inter-agency coordination.**

In several community-building areas, including youth development and employment, our census found a significant number of programs. Yet the reported need for these services remains high. We cannot tell from this data whether there is a need for more services. It may be, however, that increasing the capacity of existing programs would be an appropriate strategy. We would suggest that an effective way to increase capacity and improve outcomes for users of these services is to encourage cross-sector collaboration and to locate as many services as possible in the same or near-by locations.

5  **Establish clear and consistent outcomes for all Shipyard Legacy Fund funded activities.**

Residents are entitled to the most effective services possible and there should be accountability mechanisms in place to ensure effectiveness. We would recommend that the quasi-public entity, once established, create clear and realizable standards and expected outcomes upon which to base funding decisions. Those standards and expectations should be created with the participation of service users and providers. Once established, recipients of funding should be assisted in receiving sufficient funds to meet the standards and outcomes.

6  **Increase the commitment of resources from philanthropic and public sources and use Shipyard Legacy Fund resources in ways that philanthropic and public sources are not likely to be used.**

The SLF funding can be programmed more broadly than most philanthropic and public funding sources. The community and the quasi-public entity can capitalize on this by using SLF resources to leverage philanthropic and public sector resources and using SLF resources to “fill in the gaps.”

7  **Thoughtfully create limited amounts of new service capacity.**

For most community-building areas we would recommend investigating ways to enhance existing services and build existing capacity where at all possible. However there may be areas where it is prudent to build new capacity, given both the urgency of the need or the potentially modest investment of resources required or both. For instance, the community may wish to investigate the development of a resident based organization to rapidly respond to increased violence in an effective way.
8 Build community advocacy capacity
For many of the community-building areas, such as education and social services, the largest pool of resources is public. To the extent that the BVHP Area is underserved by public agencies, building an effective advocacy capacity around these services could result in both more resources and improved services.
OBSERVATIONS ABOUT EACH COMMUNITY-BUILDING AREA

In addition to identifying the priority areas, we conducted a brief analysis of perceived needs and gaps for each community building area. Each section of findings and discussion is organized to address the following questions.

- **Existing needs assessments** How many of the reports addressed this specific area, either solely or in part?
- **Priorities and critical problems** What were the most pressing needs and problems within each area, based on our analysis?
- **Existing resources** What existing resources did we find in our census of service providers?
- **Strategies and challenges** What are current or suggested strategies to address these needs and what barriers or challenges must these strategies overcome? For this section we have included both strategies from our analysis of the documents and in some cases we have augmented those by offering our own.
FINDINGS

ECONOMIC DEVELOPMENT

EXISTING NEEDS ASSESSMENTS
Of the documents analyzed, twenty-four (24) were either specifically produced to address economic development or substantively addressed economic development.5

PRIORITIES AND CRITICAL PROBLEMS
- Poorly performing and physically unattractive retail corridor on Third Street
- Incompatible land uses and blight
- The need to protect existing production, distribution and repair jobs
- Retail leakage
- The need to attract locally-serving anchor retail, especially food markets.
- The need to protect existing small businesses in the community
- The need to create more entrepreneurial opportunities for local residents, especially young people

EXISTING RESOURCES
Our census of existing District 10 resources found twenty-four (24) community-based organizations (CBO) that focus on economic development, primarily addressing small business assistance and new business attraction (See Attachment B for a list of all CBOs by community-building area). Some, like the Project Area Committee (PAC) and the Hunters Point Shipyard Citizens Advisory Committee (CAC), are resident and stakeholder bodies that can, in an advisory capacity, have some effect on redevelopment policy and on large development projects. In Table 3 below, we tallied the number and percentage of CBOs involved in the various subsets of economic development activities.

5 See Attachment B: Documents Analyzed for Comprehensive Needs Assessment for a list of documents we analyzed grouped by this and all community-building areas.
Table 3
Economic Development Community-based Organizations

<table>
<thead>
<tr>
<th>Total Organizations focused on Economic Development</th>
<th>24</th>
<th>Count</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Programs focused on Economic Development</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New business</td>
<td>6</td>
<td>20%</td>
<td></td>
</tr>
<tr>
<td>Workforce development</td>
<td>8</td>
<td>27%</td>
<td></td>
</tr>
<tr>
<td>Small business development</td>
<td>11</td>
<td>37%</td>
<td></td>
</tr>
<tr>
<td>Other Economic Development Activity</td>
<td>5</td>
<td>17%</td>
<td></td>
</tr>
</tbody>
</table>

**STRATEGIES AND CHALLENGES**

**Fostering activity nodes**
The Town Center and Third Street Corridor have been identified by the PAC as crucial to the redevelopment of the BVHP Area. They recommend creating a unified Afro-centric motif and focusing investment in that area, as well as establishing appropriate zoning to help desired economic activities.

**Coordinating plans and revenue streams**
Four Redevelopment Project Areas are located in District 10 (Bayview Hunters Point, India Basin Industrial Park, Bayview Industrial Triangle and Hunters Point Shipyard). Large projects in the pipeline include the future phases of the Shipyard and the potential new stadium at Candlestick Park. These activities will generate large amounts of tax increment revenues and will have major impacts on the area. An organizational structure that could offer the community an opportunity for coordinated community information, oversight and planning systems could make it possible for those impacts to be better managed.

**Attracting neighborhood-serving retail while retaining small neighborhood businesses**
Conventionally, economic synergy in a retail/commercial corridor is achieved through the recruitment of one or more “anchor” establishments, usually a larger national or regional chain outlet. This strategy must be employed cautiously in theBVHP Area given the community’s prioritization of small business development and retention. While certain market sectors (food markets particularly) are underserved, there is a danger that large retail chains will push smaller merchants out, due to price competition. Attracting the right retail sectors, protecting smaller businesses where appropriate and encouraging “niche-market” smaller businesses, such as ethnic-serving retail, will be critical.

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6 The number of programs often exceeds the number of organizations because many organizations run multiple programs. Some of these programs fall into more than one sub-category, and therefore are counted multiple times. This is why the percentages may total more than 100 percent.
Attracting investment capital for local small businesses
It has been historically difficult for small businesses in the Bayview to access investment capital and operating loans. Connecting lenders to entrepreneurs is an important challenge. There needs to be support and protection for existing small businesses by connecting them to loans and financing, small business mentorship programs and requirements for local and small business utilization as part of larger development projects.

Implementing community plans
A participant at a recent SLF workshop noted that “the community is usually involved in the process, but seldom involved in the outcomes” of local community planning. Indeed among all the plans and documents we reviewed, there were few that established outcomes and benchmarks to which public agencies and private sector actors would be held accountable. Making sure that existing community plans are implemented in an integrated fashion, that benchmarks are established, and that representative community bodies are engaged long-term are critical to community-driven economic development in BVHP.
EMPLOYMENT

EXISTING NEEDS ASSESSMENTS

Of the documents analyzed, ten (10) were either specifically produced to address employment or substantively addressed employment.

PRIORITIES AND CRITICAL PROBLEMS

- High unemployment and underemployment; low labor force participation rates
- Area business and industries employ few local residents
- Failure to connect job training participants to jobs and/or access to employment information
- Lack of infrastructure to connect residents to job training programs

EXISTING RESOURCES

Our census of existing District 10 resources found a total of forty-nine (49) community-based organizations (CBOs) that offer workforce development-related services to residents of District 10. These range from job referral and job placement services to apprenticeship programs of various labor unions, and comprehensive skills development and placement organizations. In Table 4 below, we tallied the number and percentage of CBOs involved in the various subsets of workforce development activities.

Table 4: Workforce Development Community-based Organizations

<table>
<thead>
<tr>
<th>Total Organizations focused on Workforce Development</th>
<th>49</th>
</tr>
</thead>
<tbody>
<tr>
<td>Count</td>
<td>Percent</td>
</tr>
<tr>
<td>Total Programs focused on Workforce Development</td>
<td>80</td>
</tr>
<tr>
<td>Job Training</td>
<td>32</td>
</tr>
<tr>
<td>Apprenticeships</td>
<td>31</td>
</tr>
<tr>
<td>Job Placement</td>
<td>17</td>
</tr>
</tbody>
</table>

STRATEGIES AND CHALLENGES

Creating a pipeline from workforce development programs to placement in career opportunities

In our census, we identified more workforce development programs than any other resources serving District 10, but many of the needs assessments noted the need to connect workforce development participants to employment. A key challenge is to create an employment and career pipeline from these programs to employers. Workforce development programs need to prepare...

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7 The number of programs often exceeds the number of organizations because many organizations run multiple programs. Some of these programs fall into more than one sub-category, and therefore are counted multiple times. This is why the percentages may total more than 100 percent.
clients with the skills for specific sectors of the regional and local economy that are either currently adding workers or are projected to do so. The community may need to secure local hiring and training commitments from companies offering new employment opportunities. Additional tools may include the use of an area-wide job bank, or public sponsorship of training-to-work opportunities within private industry, in which employment trainees’ wages are paid in part by public or non-profit funds while they gain experience and demonstrate their employability.

**Putting in place the supports that make success possible**
Job training should be considered successful when a participant has secured long-term employment. It is not just about getting the job -- it is getting the job and keeping it. In order for this to happen, participants need access to a set of post-employment supports that may include: on-site or neighborhood childcare, trade-specific English skills, transportation assistance to and from work, support in obtaining necessary tools, post-employment counseling to assist in the transition to employment, as well as other wrap-around services. Many of these supports need to be offered even during training and skill-building. Resources and capacity to provide these services and solid links to other services must be built into workforce development and job training programs.

**Keeping and attracting good-paying industries**
While the presence of good-paying sectors does not guarantee local employment, attracting and retaining those sectors is a key prerequisite to increasing employment opportunities. The Southeast section of San Francisco includes most of the remaining industrially zoned land in the City. There are intense market pressures to convert that land to housing uses, despite a relatively strong demand for industrial land. Land use and zoning tools can encourage employment-rich uses and incentives to attract employers from higher-paying sectors can be coupled with requirements to train and hire local residents. It is also important for the community to balance the need for new retail services and small business opportunities with sectors that create more sustainable employment opportunities for residents.

**Making sure unions and private firms follow through on local hiring commitments**
Commitments to local hiring and training that are negotiated in exchange for development entitlements need to include definite benchmarks with timetables, clear monitoring responsibilities and meaningful penalties for non-compliance. Past experience in this community and elsewhere indicate that commitments that are not closely monitored and strongly enforced were less likely to succeed.
HOUSING

EXISTING NEEDS ASSESSMENTS

Of the documents analyzed, twenty (20) were either specifically produced to address housing or substantively addressed housing.

PRIORITIES AND CRITICAL PROBLEMS

Low- to moderate-income renters cannot afford market-rate rents throughout the BVHP Area. In Bayview, at least one-third of existing homeowners face excessive housing cost burdens, and 85% of existing residents cannot afford to buy a market rate home in the community. As a result, comparisons between 1990 and 2000 census data indicate that Bayview is shifting away from its historic character as a primarily African-American working class neighborhood with high home ownership rates to a racially diverse middle-class neighborhood with high home ownership rates.

EXISTING RESOURCES

Our census of existing District 10 resources found a total of fifteen (15) community-based organizations (CBO) that focus on housing issues. (See Attachment B for a list of all CBOs by community-building area). Six (6) are non-profit housing developers, three (3) offer assistance to first time homebuyers, and the remainder offer advocacy and assistance to tenants, referrals for short-term and special needs housing or other housing-related services. In Table 5 below, we tallied the number and percentage of CBOs involved in the various subsets of housing assistance and development.

<p>| Total Organizations focused on Housing | 15 |</p>
<table>
<thead>
<tr>
<th>Count</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Program focused on Housing</td>
<td>17</td>
</tr>
<tr>
<td>Housing development</td>
<td>6</td>
</tr>
<tr>
<td>Mortgage lender</td>
<td>0</td>
</tr>
<tr>
<td>Rental assistance</td>
<td>0</td>
</tr>
<tr>
<td>First-time buyers’ program</td>
<td>3</td>
</tr>
<tr>
<td>Housing-Other/Specify</td>
<td>8</td>
</tr>
</tbody>
</table>

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8 The number of programs often exceeds the number of organizations because many organizations run multiple programs. Some of these programs fall into more than one sub-category, and therefore are counted multiple times. This is why the percentages may total more than 100 percent.
STRATEGIES AND CHALLENGES

Preserving the neighborhood character
A major community concern is the market-driven displacement of the largest remaining African American neighborhood in San Francisco. There are several aspects of this gentrification, each of which needs specific strategies.

To respond to the desire of some older African American homeowners or their heirs to “cash out”, and relocate to cheaper housing markets, it may be appropriate to develop a scattered-site land trust or other community ownership mechanism that could offer market-rate prices for homes. Additionally, it may be helpful to offer a well-publicized exchange to connect local qualified low to moderate income buyers with sellers.

Where long-time homeowners are facing difficulty finding and paying for home maintenance and property taxes, programs to connect homeowners to qualified local craftspeople at subsidized rates and other forms of assistance may be appropriate. Community financial education to make seniors and others aware of land speculation and other potentially predatory practices may be useful as well.

Helping families purchase homes in the community
Meeting this challenge will require a mix of approaches that helps prepare residents to purchase subsidized and market-rate homes, creates opportunities for limited-equity purchasing for lower-income families and improves the performance of lending institutions toward meeting their equitable lending obligations.

Improving conditions in existing affordable housing
Much of the subsidized rental stock in the BVHP Area is in older and dilapidated SFHA properties. Much of the area’s privately-owned subsidized rental housing is older as well, and often times poorly maintained and managed. Renovating public housing brings with it the challenge of housing existing tenants during renovation.

Creating more affordable housing for all income levels, both for-sale and rental
The development of the Shipyard, the approval of the new Bayview Hunters Point Redevelopment Project Area, and the chronic housing shortage in San Francisco and the Bay Area will all facilitate the construction of new housing in the BVHP Impact Area. While market rate housing priced for various income levels can contribute to the community’s vitality, the concurrent creation of appropriate amounts of below market rate housing, both rental and for-sale, will be imperative to stabilizing the existing community and creating opportunities for new and long-time low and middle income residents. The community will need to grapple with what is the appropriate mix of rental and home-ownership affordable housing, family vs. senior units, and other questions. A major precedent was set at the Shipyard when neighborhood housing income levels were used as the target. But clearly, major public and private investments in the construction of new affordable housing is key to stabilizing the BVHP Area neighborhoods.

Investigating resident owner mechanisms such as land trusts, local real estate investment trusts and limited equity purchasing arrangements
These non-traditional tools can be extremely important to help lower-income households acquire equity and to preserve affordability as real estate costs rise. Land trusts and real estate trusts create affordable housing through purchase of the land and placement of it in trust so that the homeowner purchases only the dwellings on the land. Limited equity purchasing lowers costs of home ownership by limiting the amount of equity the home owner accumulates in exchange for lower down payments and other subsidies, which keeps the home affordable to subsequent purchasers.
FINANCIAL SERVICES & ASSET DEVELOPMENT

EXISTING NEEDS ASSESSMENTS

Of the documents analyzed, only one (1) substantively addressed financial services and asset development issues.

PRIORITIES AND CRITICAL PROBLEMS

- No low-cost financial and lending services that could compete with check-cashing services
- Lack of financial information and education to protect vulnerable residents from predatory practices.
- Limited access to capital and credit

EXISTING RESOURCES

Our census of existing District 10 resources found a total of fifteen (15) community-based organizations (CBO) that provide financial and asset development services (See Attachment B for a list of all CBOs by community-building area). The majority (8) provide some form of financial education; six (6) of these are mainstream banking institutions. In Table 6 below, we tallied the number and percentage of CBOs involved in the various subsets of financial and asset development activities.

<table>
<thead>
<tr>
<th>Total Organizations focused on Financial &amp; Asset Development</th>
<th>15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Count</td>
<td>Percent</td>
</tr>
<tr>
<td>Total Programs focused on Financial &amp; Asset Development</td>
<td>16</td>
</tr>
<tr>
<td>Banking institution or credit union</td>
<td>6</td>
</tr>
<tr>
<td>Financial education</td>
<td>8</td>
</tr>
<tr>
<td>Individual Development Accounts</td>
<td>1</td>
</tr>
<tr>
<td>FAD-Other/Specify</td>
<td>1</td>
</tr>
</tbody>
</table>

9 The number of programs often exceeds the number of organizations because many organizations run multiple programs. Some of these programs fall into more than one sub-category, and therefore are counted multiple times. This is why the percentages may total more than 100 percent.
STRATEGIES AND CHALLENGES

Creating flexible programs for people with different financial needs
Few stand-alone asset development programs are flexible enough to address some of the more common problems for lower-income families, such as the need to save to pay for living expenses like car repair and debt reduction. Individual development accounts (IDAs) only allow savings to be used for education expenses, home-buying or business investment. Bank service providers may not offer products for people who do not qualify for regular checking accounts at lower rates than are provided by check-cashing companies. Service providers may need to offer a continuum of services for people with a range of incomes and financial situations. Potential tools include a local Earned Income Tax Credit, more flexible Individual Development Accounts, Housing and Urban Development (HUD) Family Self-Sufficiency Programs and micro-lending programs. Additionally, both private and non-profit sector resources could be used to develop programs and products that offer more affordable check cashing and payday loans, banking services for individuals who do not qualify for regular checking accounts, etc.
SOCIAL SERVICES

EXISTING NEEDS ASSESSMENTS

Social services cover a wide range of needs and services including: public assistance, homeless services, and food and nutrition services. Of the documents analyzed, four (4) were either specifically produced to address social services or substantively addressed social services.

PRIORITIES AND CRITICAL PROBLEMS

- Community-identified needs included: immigration services, job placement, physical health services, child care, and education services.
- Social services centers are isolated from each other, leading to duplication of efforts and lack of coordination.
- Service providers are segregated by service, even though many social service customers use multiple services.
- Social service funding and resource allocation do not respond quickly enough to emerging needs.

EXISTING RESOURCES

Our census of existing District 10 resources found a total of forty-eight (48) community-based organizations (CBOs) that provide social services (See Attachment B for a list of all CBOs by community-building area). Services included public benefits and income support programs such as Food Stamps and TANF services, homeless services and food and nutrition services. In Table 7 below, we tallied the number and percentage of CBOs involved in the various subsets of social service provision.
Table 7: Social Service Community-based Organizations

<table>
<thead>
<tr>
<th>Total Organizations focused on Social Services</th>
<th>48</th>
</tr>
</thead>
<tbody>
<tr>
<td>Count</td>
<td>Percent</td>
</tr>
</tbody>
</table>

Total Programs focused on Social Services

<table>
<thead>
<tr>
<th>Service</th>
<th>Count</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Social Services</td>
<td>17</td>
<td>14%</td>
</tr>
<tr>
<td>General Assistance (TANF) screening</td>
<td>7</td>
<td>6%</td>
</tr>
<tr>
<td>Section 8 screening</td>
<td>7</td>
<td>6%</td>
</tr>
<tr>
<td>Food stamp eligibility screening</td>
<td>9</td>
<td>8%</td>
</tr>
<tr>
<td>State insurance eligibility screening</td>
<td>8</td>
<td>7%</td>
</tr>
<tr>
<td>Social services-Other</td>
<td>7</td>
<td>6%</td>
</tr>
<tr>
<td>Homeless Services</td>
<td>11</td>
<td>3%</td>
</tr>
<tr>
<td>Soup kitchen</td>
<td>8</td>
<td>7%</td>
</tr>
<tr>
<td>Homeless shelter</td>
<td>1</td>
<td>1%</td>
</tr>
<tr>
<td>Transitional services for homeless people</td>
<td>2</td>
<td>2%</td>
</tr>
<tr>
<td>Homeless-Other/</td>
<td>2</td>
<td>2%</td>
</tr>
<tr>
<td>Food &amp; nutrition services</td>
<td>20</td>
<td>17%</td>
</tr>
<tr>
<td>Food pantry</td>
<td>17</td>
<td>14%</td>
</tr>
<tr>
<td>Meal delivery</td>
<td>2</td>
<td>2%</td>
</tr>
</tbody>
</table>

**STRATEGIES AND CHALLENGES**

Building an integrated neighborhood-based, community-driven social service system

One challenge in the provision of social services is to design systems that work from the point of view of the end-user. Suggested strategies include co-locating in common areas, developing neighborhood-based intake, assessment and planning tools and involving clients and residents in setting social service priorities and in program evaluation. Redirection of service funding based on resident input may help address neighborhood-level shortfalls. We would add that a neighborhood-based information system can both inform community input and increase the capacity of service providers to respond quickly to emerging needs.

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10 The number of programs often exceeds the number of organizations because many organizations run multiple programs. Some of these programs fall into more than one sub-category, and therefore are counted multiple times. This is why the percentages may total more than 100 percent.
EDUCATION

EXISTING NEEDS ASSESSMENTS

Of the documents analyzed, eleven (11) were either specifically produced to address education or substantively addressed education.

PRIORITIES AND CRITICAL PROBLEMS

- Lack of college success by BVHP residents
- Low K-12 test scores of African Americans, Latinos and Pacific Islanders
- Lack of centralized education resource center.

EXISTING RESOURCES

Our census of existing District 10 resources found a total of seventy-seven (77) community-based organizations (CBOs) that provide educational services (See Attachment B for a list of all CBOs by community-building area). Outside of K-12 education, they primarily provide support and after-school programs, although other significant blocks focus on adult education, ESL and computer literacy. In Table 8 below, we tallied the number and percentage of CBOs involved in the various subsets of educational activities.
Table 8:

<table>
<thead>
<tr>
<th>Total Organizations focused on Education</th>
<th>Count</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Programs focused on Education</td>
<td></td>
<td>136</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Education</th>
<th>Count</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Early childhood education</td>
<td>24</td>
<td>18%</td>
</tr>
<tr>
<td>Middle school education</td>
<td>13</td>
<td>10%</td>
</tr>
<tr>
<td>High school</td>
<td>6</td>
<td>4%</td>
</tr>
<tr>
<td>English as a Second Language</td>
<td>6</td>
<td>4%</td>
</tr>
<tr>
<td>Adult education</td>
<td>8</td>
<td>6%</td>
</tr>
<tr>
<td>Citizenship test preparation</td>
<td>1</td>
<td>1%</td>
</tr>
<tr>
<td>School-to-work transition</td>
<td>3</td>
<td>2%</td>
</tr>
<tr>
<td>Educational support</td>
<td>17</td>
<td>13%</td>
</tr>
<tr>
<td>College admissions assistance</td>
<td>3</td>
<td>2%</td>
</tr>
<tr>
<td>Computer literacy</td>
<td>14</td>
<td>10%</td>
</tr>
<tr>
<td>After-school program</td>
<td>18</td>
<td>13%</td>
</tr>
<tr>
<td>Education-Other/Specify</td>
<td>23</td>
<td>17%</td>
</tr>
</tbody>
</table>

| Total SFUSD Schools in District 10 | 27 |

**STRATEGIES AND CHALLENGES**

Creating single, comprehensive educational resource center to provide a number of education services both for students and older residents

This comprehensive resource center would include an in-house tutoring center, a college prep center and a career center. The resource center would offer the following services: structured after-school programs for students (especially those with working parents), vocational education and internships at local businesses as well as childcare and intergenerational activities.

Establishing education programs for parents

Building the capacities of parents to support their children’s educational attainment and empowering them to engage in school improvement efforts seem to be critical elements of strategies to improve educational outcomes for BVHP children. Equally important are programs which help parents understand what schools can do to improve their children’s performance and student achievement, especially in light of “No Child Left Behind” and the prospect of school reconstitution if schools continually under-perform.

Extending successful after-school and early childhood educational programs

Extending city-sponsored after-school programs to disadvantaged neighborhoods is also important for providing additional tutorial and structured home work time as well as additional

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11 The number of programs often exceeds the number of organizations because many organizations run multiple programs. Some of these programs fall into more than one sub-category, and therefore are counted multiple times. This is why the percentages may total more than 100 percent.
time in constructive, academically reinforcing activities. Increasing access and funding to early childhood development programs such as Head Start is important for BVHP children to be healthy and ready to succeed in school when they enter kindergarten. These programs, coupled with the comprehensive educational resource center have the potential to address other underlying causes of low-test scores and subsequent failure to attend and succeed in college.
HEALTH CARE

EXISTING NEEDS ASSESSMENTS
Health care covers physical health, mental health, and substance abuse services. Of the documents analyzed, fourteen (14) were either specifically produced to address health care or substantively addressed health care.

PRIORITIES AND CRITICAL PROBLEMS
- Higher hospitalization rates for asthma, hypertension, congestive heart failure, and diabetes than other residents of San Francisco.
- Higher age-adjusted mortality from heart disease, stroke, and cancer, higher rates of low birth weight and less utilization of prenatal care.
- Residents of the Southeast neighborhoods are more likely to be victims of violence and the area has some of the highest rates of substance abuse in the City.
- Disproportionate representation in San Francisco’s mental health and child welfare systems.
- Disproportionate representation in Medicare/Cal and more residents lack insurance than elsewhere in San Francisco
- Fewer doctors and health professionals serve the area than in the City overall. Users of neighborhood health clinics report long waits for appointments, and inconvenient hours.

EXISTING RESOURCES
Our census of existing District 10 resources found a total of fifty-one (51) community-based organizations (CBO) that provide health services. (See Attachment B for a list of all CBOs by community-building area). These organizations primarily provide outpatient care, including: reproductive, peri-natal and pediatric care. Mental health and alcohol and substance abuse services account for sixty-three percent of the services offered in Bayview Hunters Point. In Table 9 below, we tallied the number and percentage of CBOs involved in the various subsets of medical activities.
Table 9;
Health Care Community-based Organizations

<table>
<thead>
<tr>
<th>Total Organizations focused on Health Care</th>
<th>51</th>
<th>100%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical Services</td>
<td>23</td>
<td>45%</td>
</tr>
<tr>
<td>Mental Health Services</td>
<td>19</td>
<td>37%</td>
</tr>
<tr>
<td>Alcohol &amp; Other Substance Abuse Treatment</td>
<td>9</td>
<td>18%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Count</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Organizations focused on Health Care</td>
<td>100%</td>
</tr>
<tr>
<td>Medical Services</td>
<td>44</td>
</tr>
<tr>
<td>Inpatient medical services</td>
<td>0</td>
</tr>
<tr>
<td>Outpatient medical services/clinic</td>
<td>10</td>
</tr>
<tr>
<td>Vision</td>
<td>4</td>
</tr>
<tr>
<td>Dental</td>
<td>4</td>
</tr>
<tr>
<td>Reproductive &amp; peri-natal health care</td>
<td>7</td>
</tr>
<tr>
<td>Pediatric care</td>
<td>8</td>
</tr>
<tr>
<td>Infectious disease</td>
<td>4</td>
</tr>
<tr>
<td>Residential treatment facility</td>
<td>0</td>
</tr>
<tr>
<td>Medical-Other/Specify</td>
<td>7</td>
</tr>
<tr>
<td>Mental Health Services</td>
<td>60</td>
</tr>
<tr>
<td>Crisis intervention</td>
<td>9</td>
</tr>
<tr>
<td>Therapeutic counseling</td>
<td>13</td>
</tr>
<tr>
<td>Peer counseling</td>
<td>10</td>
</tr>
<tr>
<td>Domestic violence counseling</td>
<td>2</td>
</tr>
<tr>
<td>Mental health education/outreach</td>
<td>2</td>
</tr>
<tr>
<td>MH screening</td>
<td>4</td>
</tr>
<tr>
<td>Mental health services for youth</td>
<td>10</td>
</tr>
<tr>
<td>School-based mental health services</td>
<td>2</td>
</tr>
<tr>
<td>Services for developmentally disabled folks</td>
<td>3</td>
</tr>
<tr>
<td>Residential treatment facility</td>
<td>0</td>
</tr>
<tr>
<td>Mental health-Other/Specify</td>
<td>5</td>
</tr>
<tr>
<td>Alcohol &amp; Other Substance (AOS) Abuse Treatment</td>
<td>23</td>
</tr>
<tr>
<td>Residential treatment facility</td>
<td>2</td>
</tr>
<tr>
<td>Outpatient treatment facility</td>
<td>4</td>
</tr>
<tr>
<td>AOS education/outreach</td>
<td>4</td>
</tr>
<tr>
<td>Peer counseling</td>
<td>6</td>
</tr>
<tr>
<td>Gender-specific AOS Treatment</td>
<td>2</td>
</tr>
<tr>
<td>AOS Treatment for youth</td>
<td>2</td>
</tr>
<tr>
<td>AOS-Other/Specify</td>
<td>3</td>
</tr>
</tbody>
</table>

12 The number of programs often exceeds the number of organizations because many organizations run multiple programs. Some of these programs fall into more than one sub-category, and therefore are counted multiple times. This is why the percentages may total more than 100 percent.
STRATEGIES AND CHALLENGES

Providing relevant education, preventive care, and early intervention
Health education and promotion, preventive care, and early intervention, especially aimed at children and youth, are extremely important to the health status of people. Risky behaviors such as smoking are disproportionately prevalent in the BVHP Area. However, many risks are connected to economic and social conditions. For instance, obesity is related to too little exercise and diet, but time to exercise and healthy affordable produce are both scarce commodities for single parents with one or more jobs. Additionally, alcohol and tobacco companies employ marketing strategies aimed at the ethnic communities that are the majority in the BVHP Area. Relevant health education approaches have to take these realities into account.

Increasing and coordinating services in the neighborhoods
Health services would be a key part of an integrated neighborhood-based, community-driven social service system. Residents would benefit from the co-location and coordination of health services with other social services. One community recommendation has been to transform the Southeast Health Center into a multi-service center that offers environmental health training and information. Given the intersection of social, economic, environmental and health issues, such coordination is extremely important. Education and prevention activities should be integrated into programs such as childcare/Head Start, elementary education, youth job training, and recreational programs for elders.

Increasing community-relevant mental and behavioral health services, particularly for children and youth
In spite of the strength and resiliency of youth and families in the BVHP Area, many children and youth are impacted by violence, abuse and neglect. Current systems do not always have the capacity to recognize and respond appropriately to these issues. Instead children and their families are often criminalized and stigmatized. Culturally competent “systems of care” that include mental health assessment, early intervention, crisis intervention, outpatient and inpatient care, day treatment, in-home services, intensive and ongoing case management, and family support could have very significant impacts in reducing violent behavior and the occurrence of serious behavioral and mental health disorders.

Effectively using advocacy
As noted in the section on Environmental Safety and Enhancement, the connections between the higher rates of cancer, asthma, and other illnesses among BVHP Area residents and environmental hazards need to be addressed by education and advocacy on the part of residents. Additionally, strategies to increase access to health services, both by increasing service availability and by increasing health insurance availability and enrollment, are key advocacy issues.
ARTS, CULTURE, MEDIA AND RECREATION

EXISTING NEEDS ASSESSMENTS

Of the documents analyzed, six (6) were either specifically produced to address arts, culture and recreation or substantively addressed arts, culture and recreation.

PRIORITIES AND CRITICAL PROBLEMS

- Need for parks, playgrounds and recreation facilities
- Need to provide institutional support for existing cultural, artistic, and historic community assets.

EXISTING RESOURCES

Our census of existing District 10 resources found a total of thirty-three (33) community-based organizations (CBO) that provide opportunities to engage in arts, culture, media and recreation activities (See Attachment B for a list of all CBOs by community-building area). In Table 10 below, we tallied the number and percentage of CBOs involved in the various subsets of arts, cultural, media, and recreation activities.

Table 10:
Arts, Culture, Media & Recreation Community-Based Organizations

<table>
<thead>
<tr>
<th>Total Organizations focused on Arts, Culture, Media &amp; Recreation</th>
<th>Count</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>43</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Programs focused on Arts, Culture, Media &amp; Recreation</th>
<th>Count</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performing arts</td>
<td>3</td>
<td>5%</td>
</tr>
<tr>
<td>Visual arts</td>
<td>4</td>
<td>7%</td>
</tr>
<tr>
<td>Artist collaborative</td>
<td>3</td>
<td>5%</td>
</tr>
<tr>
<td>Arts education</td>
<td>11</td>
<td>19%</td>
</tr>
<tr>
<td>Public art</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Cultural programs/venue</td>
<td>5</td>
<td>9%</td>
</tr>
<tr>
<td>Recreation programs/venue</td>
<td>13</td>
<td>23%</td>
</tr>
<tr>
<td>Media</td>
<td>9</td>
<td>16%</td>
</tr>
<tr>
<td>ACR-Other/Specify</td>
<td>9</td>
<td>16%</td>
</tr>
</tbody>
</table>

13 The number of programs often exceeds the number of organizations because many organizations run multiple programs. Some of these programs fall into more than one sub-category, and therefore are counted multiple times. This is why the percentages may total more than 100 percent.
STRATEGIES AND CHALLENGES

Creating a community parks and recreation system equal to that of other city communities
To bring the BVHP Area up to par with the rest of the city with regards to recreational facilities would involve both building upon existing resources and establishing new recreational spaces. Local support for meaningful and positive public spaces and activities is strong. The high concentration of children in the area adds to the local demand for park and recreation space. Creating a large park with full array of league and recreational sports facilities would establish a new and positive public space in the BVHP Area.

Restoring, maintaining and linking existing recreational facilities
Significantly, the BVHP Area already has an array of parks, community gardens, neighborhood recreation facilities and playgrounds as well as a large stretch of waterfront land. However, potentially positive public spaces are poorly maintained and linked. Effectively utilizing these pre-existing resources will require: improving, maintaining and linking existing resources with sustainable maintenance and programming; establishing a network of street, walkways, stairways and bridges to interconnect open spaces, bay waterfront and inlet areas, and public transit; and restoring waterfront and other natural areas while providing enhanced public access by expanding the Bay Trail.

Providing institutional support for existing cultural, artistic and historical community assets
The cultural, artistic and historic community assets in the BVHP Area are significant and could be capitalized upon to reinvigorate local retail markets and cultural life while providing educational opportunities for children and adults and employment opportunities for residents. The planned African Marketplace will do just that. Additionally the local artists will need flexible, low-cost space. Finally, evaluating and protecting historic and archaeological resources will provide unique local educational and cultural resources for the BVHP Area community.
YOUTH DEVELOPMENT

EXISTING NEEDS ASSESSMENTS

Of the documents analyzed, nine were either specifically produced to address youth development or substantively addressed youth development.

PRIORITIES AND CRITICAL PROBLEMS

- Lack of opportunities for youth entertainment, recreational and cultural activities.
- Need for tutoring and mentoring programs
- Lack of clear information and coordination of services.

EXISTING RESOURCES

Our census of existing District 10 resources found a total of fifty-one (51) community-based organizations (CBO) that provide youth development services (See Attachment B for a list of all CBOs by community-building area). These organizations primarily focus on recreation and mentoring/leadership development. In Table 11 below, we tallied the number and percentage of CBOs involved in the various subsets of youth development activities.

<table>
<thead>
<tr>
<th>Total Organizations focused on Youth Development</th>
<th>51</th>
</tr>
</thead>
<tbody>
<tr>
<td>Count</td>
<td></td>
</tr>
<tr>
<td>Percent</td>
<td></td>
</tr>
<tr>
<td>Total Programs focused on Youth Development</td>
<td>99</td>
</tr>
<tr>
<td>Leadership training</td>
<td>32</td>
</tr>
<tr>
<td>Mentoring</td>
<td>33</td>
</tr>
<tr>
<td>Gender-specific programs/services</td>
<td>9</td>
</tr>
<tr>
<td>Teen pregnancy prevention programs</td>
<td>1</td>
</tr>
<tr>
<td>Recreation programs for youth</td>
<td>16</td>
</tr>
<tr>
<td>Youth-Other/Specify</td>
<td>8</td>
</tr>
</tbody>
</table>

STRATEGIES AND CHALLENGES

14 The number of programs often exceeds the number of organizations because many organizations run multiple programs. Some of these programs fall into more than one sub-category, and therefore are counted multiple times. This is why the percentages may total more than 100 percent.
Creating “safe spaces” for youth
Youth report a lack of venues where they can engage in creative and recreational activities without the threat of violence or police harassment. Creating “safe spaces” like this requires careful planning and staffing; moreover, these spaces operate better when youth and adults together take responsibility for their functioning. Proposed spaces include a new satellite community center in Bayview Hill, the expansion of the Bayview Opera House, a new Children’s Center, new recreational and cultural facilities, and a comprehensive educational resource center.

Linking and strengthening existing Child care service providers and networks
While there are many childcare programs in BVHP, quality among programs varies widely and parents lack sufficient information to make educated choices among providers. Building the capacities of existing childcare providers and linking programs such as churches and schools, and expanding the centrally located services at a Sick Child Center would be an effective use of resources by building on existing community services.

Connecting youth with jobs, entrepreneurial training and college opportunities
One of the most frequently cited youth development issues in the reviewed documents and in-person interviews was the need to connect youth directly with economic or educational opportunities. These documents propose connecting youth with mentors, internship and training programs at local businesses, schools, non-profits and city agencies. Additionally, new media firms would be required to educate and train local youth, while public works and environmental restoration programs would be required to employ youth.

Involve youth in decisions that affect them
Youth involvement in these decisions provides key local input to ensure that decisions are appropriate to local conditions and populations. Structured participation in decision-making forums provides a real-world leadership development experience for local youth. Finally, participation in the shaping of their community programs and services creates a sense of ownership and buy-in, while acquainting target populations with services that are available.
COMMUNITY SAFETY AND JUSTICE

EXISTING NEEDS ASSESSMENTS
Of the documents analyzed, six (6) were either specifically produced to address community safety and justice or substantively addressed community safety and justice.

PRIORITIES AND CRITICAL PROBLEMS
- Very high levels of violent crime and gang activity, with a disproportionate percentage of African Americans as victims
- Crime and violence are consistently identified as the most important neighborhood issue by residents.

EXISTING RESOURCES
Our census of existing District 10 resources found a total of nineteen (19) community-based organizations (CBOs) that focus on community safety and justice (See Attachment B for a list of all CBOs by community-building area). These organizations primarily focus on violence prevention, diversion programs, and the re-entry of formerly incarcerated people. In Table 12 below, we tallied the number and percentage of CBOs involved in the various subsets of community safety and justice activities.

<table>
<thead>
<tr>
<th>Total Organizations focused on Community Safety &amp; Justice</th>
<th>Count</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Violence prevention programs</td>
<td>6</td>
<td>20%</td>
</tr>
<tr>
<td>Reentry programs</td>
<td>5</td>
<td>17%</td>
</tr>
<tr>
<td>Domestic violence prevention programs</td>
<td>2</td>
<td>7%</td>
</tr>
<tr>
<td>Intensive supervision programs</td>
<td>3</td>
<td>10%</td>
</tr>
<tr>
<td>Alternatives to incarceration</td>
<td>1</td>
<td>3%</td>
</tr>
<tr>
<td>Diversion programs</td>
<td>6</td>
<td>20%</td>
</tr>
<tr>
<td>Community Safety and Justice-Other</td>
<td>7</td>
<td>23%</td>
</tr>
</tbody>
</table>

15 The number of programs often exceeds the number of organizations because many organizations run multiple programs. Some of these programs fall into more than one sub-category, and therefore are counted multiple times. This is why the percentages may total more than 100 percent.
STRATEGIES AND CHALLENGES

Making police services work better
Despite numerous partnerships between the police and the community, community complaints regarding police services remain high. Residents are unsatisfied with police responsiveness and courtesy. Police seem unable to slow down criminal activity, and are frequently perceived as using excessive and unwarranted force, harassing youths without cause and, in general, being unfriendly to neighborhood concerns. Yet crime and violence reduction are among the highest concerns of the community. Establishing appropriate staffing for police must go hand–in-hand with encouraging changes in police culture and practice to a more thorough community-policing approach. Some specific suggestions made in the documents we reviewed included establishing satellite police stations on Hunters Point Hill and on 3rd Street, and initiating police bicycle patrols and police-sponsored public safety events.

Creating an expanded community role in crime and violence prevention
While community-minded police services are indispensable to creating a safer community, it is also clear that community-driven programs that utilize all the community resources are absolutely necessary. Some examples may include building on ROSES “Respect the Neighborhood” program, programs that include formerly incarcerated residents in violence prevention programs and a “Safe Walk” program so residents, especially youth, have places that offer a safe harbor when needed.

Creating community-based alternatives to the criminal justice system for minor, first-time and youth offenders
Several reports reference the need to establish alternatives to incarceration or formal probation for certain kinds of offenses. Usually, these alternatives include some form of a community court with restitution in the form of local community service, participation in a mentoring or job training program or other community-based diversion program. This approach is similar to Drug Courts, which have been fairly successful, albeit expensive, alternatives to incarceration for minor drug offenders. The challenge of such a strategy is that it requires collaboration from the all levels of the community and the local criminal justice system.

Making the physical environment safer
Building and neighborhood design can be used to help create safer spaces that make criminal activity less likely. Zoning and local ordinances such as the Retail Operations Standards Act can be used to limit some commercial activity and encourage others. As the neighborhood experiences new investment and development, these kinds of tools can be utilized to make the physical environment safer.
ENVIRONMENTAL SAFETY & ENHANCEMENT

EXISTING NEEDS ASSESSMENTS

Of the documents analyzed, thirteen (13) were either specifically produced to address environmental safety and enhancement or substantively addressed environmental safety and enhancement.

PRIORITIES AND CRITICAL PROBLEMS

- Key environmental hazards include: illegal dumping, close proximity to current industrial activities, close proximity to toxic waste and Brownfield sites from past industrial activity and over-exposure to diesel emissions as a result of truck traffic in the neighborhood.
- As new development happens, the possibility of the release of toxins and neighborhood exposure to construction related environmental hazards increases.
- Lower rates of open space and street trees per resident than the rest of the City. Existing parks and open space are not kept clean and usable.
- The waterfront and shoreline are largely inaccessible to the public.

EXISTING RESOURCES

Our census of existing District 10 resources found a total of eleven (11) community-based organizations (CBO) that focus on environmental safety and enhancement (See Attachment B for a list of all CBOs by community-building area). These organizations primarily focus on environment, restoration, neighborhood cleanup, and conservation. In Table 13 below, we tallied the number and percentage of CBOs involved in the various subsets of environmental safety and enhancement activities.
Table 13:
Environmental Safety & Enhancement Community-based Organizations

<table>
<thead>
<tr>
<th>Total Organizations focused on Environmental Safety &amp; Enhancement</th>
<th>Count</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Organizations focused on Environmental Safety &amp; Enhancement</td>
<td>11</td>
<td>100%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conservation</td>
<td>1</td>
<td>7%</td>
</tr>
<tr>
<td>Restoration</td>
<td>2</td>
<td>14%</td>
</tr>
<tr>
<td>Environmental justice</td>
<td>5</td>
<td>36%</td>
</tr>
<tr>
<td>Neighborhood cleanup/beautification</td>
<td>3</td>
<td>21%</td>
</tr>
<tr>
<td>Environmental-Other/Specify</td>
<td>3</td>
<td>21%</td>
</tr>
</tbody>
</table>

**Strategies and Challenges**

Implementing existing community recommendations and enforcing existing law
BVHP Area residents have identified alternative truck traffic routes in more than one community process. These recommendations should be implemented and enforced. Strategies to more effectively enforce illegal dumping laws may be an area of exploration with the Police Department and other relevant agencies.

Dealing with Brownfields as barriers to development, health hazards and as potential opportunities
The cleanup and redevelopment of Brownfields and other contaminated older industrial sites presents both challenges and opportunities. There are several existing community recommendations addressing some of the issues, including the use of a database of local environmental remediation firms, and the creation of an Environmental Business Incubator Program. Other strategies might include a community process to educate residents and to get their input on acceptable clean-up standards for contaminated sites.

Addressing environmental justice issues
Community education and information in support of environmental justice advocacy may be of use to residents. For instance, a regularly updated database of local environmental indicators could be used to inform organizing campaigns and bring new understanding of environmental matters to the community’s attention.

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16 The number of programs often exceeds the number of organizations because many organizations run multiple programs. Some of these programs fall into more than one sub-category, and therefore are counted multiple times. This is why the percentages may total more than 100 percent.
TRANSPORTATION

EXISTING NEEDS ASSESSMENTS

Of the documents analyzed, four (4) were either specifically produced to address transportation or substantively addressed transportation.

PRIORITIES AND CRITICAL PROBLEMS

- Muni and CalTrain services are inadequate for the neighborhood, especially given the high need for public transportation in the area.
- Amenities to make non-motorized transportation easier and more attractive are few.

EXISTING RESOURCES

We did not identify any transportation-specific organizations in District 10. City (MUNI) and regional (Caltrain) public transit providers have the responsibility of servicing the area. Both the PAC and the CAC include transportation in their advocacy and policy work. The opening of the Third Street light rail will provide new transportation resources for residents which will make traveling between the neighborhood and other destinations in the city much more time efficient.

STRATEGIES AND CHALLENGES

Changing the traffic infrastructure
Community recommendations regarding traffic calming techniques such as corner chokers or bulb-outs are relatively low-cost measures to address the need to make residential streets friendlier. Amenities for pedestrians and bicyclists, pedestrian-friendly street and new building design standards can increase accessibility for non-motorized transportation.

Improving transit access
Advocacy for reliable and affordable MUNI service to major destinations may need to be a consistent part of a neighborhood organizing strategy. Additionally, there may be ways to incentivize or require new development projects to provide shuttle service to and from residents’ homes and important destination points. Finally, a low-cost automobile sharing system may help meet transportation needs in the neighborhoods.
ELDER SERVICES

EXISTING NEEDS ASSESSMENTS

Of the documents analyzed, three (3) were specifically produced to address elder services, but are not specific to BVHP. Three (3) BVHP Area specific documents substantively addressed elder services. Please see Attachment C: Analyzed Needs Assessment Documents for a list of documents we analyzed grouped by community-building area.

PRIORITIES AND CRITICAL PROBLEMS

- Lack of affordable housing for elders
- Increasing need for in-home care while capacity remains the same
- Declining number of residential care facilities/beds for low-income seniors
- Lack of coordination among service providers

EXISTING RESOURCES

Our census of existing District 10 resources found a total of thirteen (13) community-based organizations (CBOs) that provide elder care services (See Attachment B for a list of all CBOs by community-building area). These organizations primarily focus on food and nutrition, transportation, medical services and recreation. In Table 14 below, we tallied the number and percentage of CBOs involved in the various subsets of elder care service activities.

<p>| Total Organizations focused on Elder Care | 13 |</p>
<table>
<thead>
<tr>
<th>Count</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Programs focused on Elder Care</td>
<td>33</td>
</tr>
<tr>
<td>Elder housing</td>
<td>3</td>
</tr>
<tr>
<td>Transportation for elders</td>
<td>6</td>
</tr>
<tr>
<td>Food for elders</td>
<td>8</td>
</tr>
<tr>
<td>Geriatric medicine</td>
<td>6</td>
</tr>
<tr>
<td>Recreation for elders</td>
<td>7</td>
</tr>
<tr>
<td>Elders-Other/Specify</td>
<td>3</td>
</tr>
<tr>
<td>Elders-Other/Specify</td>
<td>0</td>
</tr>
</tbody>
</table>

Table 14: Elder Care Service Community Base Organizations

17 The number of programs often exceeds the number of organizations because many organizations run multiple programs. Some of these programs fall into more than one sub-category, and therefore are counted multiple times. This is why the percentages may total more than 100 percent.
STRATEGIES AND CHALLENGES

Meeting housing assistance and affordable housing needs
The typical profile of a BVHP Area senior is an African American homeowner with an average annual income of $15,000 or less. Elders comprise 60 percent of all area homeowners. Major challenges to housing includes increased access to safe handyperson services, improved home repair and safety programs and improved rehabilitation loan programs for low-income homeowners so that seniors can retain their homes.

Accessing affordable rental and publicly assisted housing is also a challenge for elders. All major property types designed for seniors have median occupancy rates above 95 percent with an average waiting period of over three years for placement. Building more small board and care homes on infill lots throughout the central part of the community near transportation routes would increase the supply of this essential form of housing.

Addressing health service needs
More seniors today live at home in unsupported or under-supported living situations. They therefore require more in-home care services. Because of the lack of affordable housing and beds in long-term care facilities, more mentally ill and frail seniors are being placed in the community who would have been in structured settings just five years ago, due to a decline in residential care facilities for seniors in San Francisco. Most of the help that vulnerable adults in San Francisco receive is unpaid, which places enormous stress on informal caregivers. In addition, there is a dire need for mental health services since none of the nearby health clinics provide such services. The community would greatly benefit from more in-home health services for seniors.

Food and Nutrition Services
Three reports identified the need for nutrition services with a priority on home-delivered meals. The three organizations that provide in-home meals have long waiting lists. Seniors are in particular need of food services since there is a lack of accessible supermarkets or drugstores in the neighborhood.

Coordinating service provision
Providers often deliver health, medical, social, and support services that are not organized from a consumer perspective. Several reports recommended expanding the Southeast Health Center to become a full-service medical facility and creating a ‘senior district’ and Aging Campus in conjunction with health facilities.
Task 3
Shipyard Legacy Fund Report

Development of a Community Benefits Investment Roadmap

July 20, 2007

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Web site: www.urbanstrategies.org
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EXECUTIVE SUMMARY

This document provides a summary of Urban Strategies Council’s (the Council) work as consultants to the Mayor’s Citizens Advisory Committee in “Development of a Community Benefits Investment Roadmap.” This report is the third in a series of five reports prepared by the Council in partial completion of our contract with the San Francisco Redevelopment Agency (SFRA) to provide technical assistance and community outreach services to the Hunter’s Point Shipyard Citizen’s Advisory Committee (CAC).

In the Request for Proposals (RFP) for the Hunters Point Shipyard (HPSY) Community Benefits Agreement Consultant, Task 3 called on the consultant team to develop a Community Benefits “Roadmap” to be comprised of a set of concrete recommendations and implementation activities for the initial uses of the Fund.

In this report we:

1. Describe the CAC-approved recommendations for the Fund’s initial investments and uses (the Roadmap); and
2. Describe the process by which we arrived at these recommendations.

INVESTMENT ROADMAP DEVELOPMENT PROCESS

The development of Roadmap recommendations took place in two stages. In Stage 1 from September 2005 to July of 2006, the Council provided information and assistance to help the CAC establish priorities for Fund investments. In Stage 2 from July 2006 through October 2006, the CAC considered and selected specific program and investment strategies to address the priorities established in Stage 1.

Both stages of the development of the Roadmap recommendations followed the iterative process wherein the Supervisory Team (composed of the CAC Executive Committee and representatives from the SFRA, the Mayor’s Office and Supervisor Maxwell’s Office) considered input from the consultants, community workshops, and the CAC to develop recommendations for action by the full CAC. Those recommendations, as approved by the CAC, are summarized in this report.

RECOMMENDATIONS

RECOMMENDATIONS OVERVIEW

The next three sections of this summary outline the CAC’s approved recommendations on: 1) priority areas for investment; 2) investment spending strategies; and 3) specific programs and projects.
INVESTMENT PRIORITY AREAS

The three approved recommendations for priority areas for investment include:

1. Select single area or a cluster of related community building areas to serve as an “engine” of change.
2. Establish economic development—with an emphasis on employment, housing and financial and asset development—as the priority for investment.
3. Select specific investments based on whether they address one or more of the other key areas of focus established by the community (these include youth development, services for elders, arts culture and recreation and heath, environment and safety).

STRATEGIES FOR INVESTMENT AND SPENDING

Approved recommendations for investment and spending strategies include:

1. The SLF should place the majority of the money it receives into an endowment and use the earnings from the endowment to fund its operating costs and projects. The remainder of the funds should be placed in direct investments and spending to meet current needs.
2. The percent of SLF money that goes into the endowment and the percent that goes to direct spending should be decided after the CAC knows how much the SLF will receive and when.
3. In making decisions on the amount of money placed in an endowment or allocated for direct spending, funds need to be set aside for the operating expenses of the Quasi-Public Entity (QPE).

SPECIFIC PROGRAMS AND PROJECTS

Approved recommendations for specific programs and projects include:

1. Create a Community Benefits Project which builds community capacity to influence economic development decisions and to reap community benefits from economic development projects and policies affecting the BVHP Area. This would provide the community with planning, financial, legal, and community organizing expertise related to economic development. Fund this project from direct spending initially and, later, from endowment earnings. Require matching funds from public and private sources.
2. Create a Center for Working Families, a centrally-located, multi-service center with strong links to existing service providers, especially local employment training providers, adult education and higher education resources, and support services like childcare and transportation providers. The Center would help residents reach economic goals by offering financial education classes and one-to-one coaching and peer counseling, easy to access banking services, free tax preparation and counseling, micro lending services, and matching funds for Individual Development Accounts (IDA) savings accounts.
3. Create an Environmental Justice Fund, to help address the disproportionate environmental impacts suffered by people living and working within the Bayview Hunters Point Area. The Hunter’s Point Shipyard is a federal Superfund Site and is a facility whose naval past, present and future civilian environmental status is relational to the well-being of the surrounding neighborhood. The fund would provide grants, loans
and financial assistance to organizations, small businesses and residents to prevent or redress the impacts of environmental pollution on public health and, thus, enhance overall SLF efforts towards sustainable and equitable economic growth.¹

4. Seek to identify a **Signature Economic Development Project** that will yield a “Double Bottom Line”—both a **financial and a social return** on investment. Depending on the timing of the investment and the amount needed, fund the signature project from endowment earnings or direct spending. Require that SLF resources be used in projects that leverage other investments.

5. Decide whether the **Community Parcels** will be a suitable location for the Signature Economic Development Project. If not, gather information to determine potential uses for the parcels. Potential uses include serving as a site for community facilities, serving as a site for revenue-generating investment, whether “Double Bottom Line” or not, or owned as a real estate asset to be kept, traded or used in some other way to maximize return on investment.

**NEXT STEPS:**

**Actions, information and decisions needed to further develop and implement the roadmap recommendations**

**INFORMATION NEEDS**

1. Detailed program plans and budgets for the community benefits project, the working families center, and the environmental justice fund.
2. Precise location and condition of the community facilities parcels
3. A schedule for conveyance of the parcels to the QPE.
4. Amount of cash assets that will accrue to the Fund, when they will begin to accrue to the Fund, and what the disbursement schedule will likely be.
5. Inventory of opportunity sites, in addition to the community facilities parcels, to be considered for the signature economic development project.

**DECISIONS**

1. Will the QPE operate any programs directly and if so, which ones?
2. How and by whom will the fund be managed?
3. How much of the Fund’s cash assets will be placed in the endowment and how much will be spent to fund the matched spending programs?

**ACTIONS**

1. Obtain an official Commission action that acknowledges support for the CAC recommendations for the Roadmap and QPE.

---

¹ Recommendation 3 was added after the 10/16/06 CAC meeting in response to a motion adopted at that meeting that the Shipyard Legacy Fund Initial Investment Roadmap recommendations should include a recommendation for the creation of an Environmental Justice Fund.
INTRODUCTION

This document is third in a series of reports prepared by Urban Strategies Council (The Council) in partial completion of our contract with the San Francisco Redevelopment Agency (SFRA) to provide technical assistance and community outreach services to the Hunter’s Point Shipyard Citizen’s Advisory Committee (CAC). Under the terms of that agreement, the Council conducts outreach, provides information and advises the CAC regarding the uses and governance of the Enhanced Community Benefits included in the Disposition and Development Agreement (DDA) between the SFRA and the Shipyard master developer, Lennar/BVHP LLC. These Enhanced Community Benefits are referred to as the Shipyard Legacy Fund (the Fund). The Fund is comprised of a portion of the proceeds from the sale of some land on the Shipyard as well as approximately 6 acres of land on the Shipyard to be put to community use.

A Supervisory Team—comprised of the CAC Executive Committee, the SFRA, the Mayor’s Office and the District 10 Supervisor’s Office—oversees the work of the Council under this contract. In conjunction with the Supervisory Team and in ongoing consultation with the broader BVHP Area community, The Council was contracted to complete the following tasks:

1. Undertake a Comprehensive Needs Assessment
2. Conduct a Census and Analysis of Community–Based Service Programs and Providers
3. **Develop a Community Benefits “Roadmap” to be comprised of a set of concrete recommendations and implementation activities for the initial uses of the Fund.**
4. Identify Models for a Quasi Public Entity which will govern and administer the Fund’s activities and resources.
5. Conduct Community Outreach, Consultation and Inclusion.

This documents reports on Task 3 activities and it includes:

3. A description of the CAC-approved recommendations for the Fund’s initial investments and uses (the Roadmap); and
4. A description of the process by which we arrived at these recommendations.

Other documents completed under this contract include:

- Findings from the Analysis of Comprehensive Needs Assessments (Task 1);
- Census of Community-Based Services and Providers (Task 2);
- Designing a Quasi-Public Entity to Direct the Shipyard Legacy Fund (Task 4); and
- Report on Community Outreach, Consultation and Inclusion Plan (Task 5)

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2 Urban Strategies Council (the Council) is a community building support and advocacy organization located in Oakland, California. Since 1987, the Council’s mission is to eliminate persistent poverty by working with partners to help transform low-income neighborhoods into vibrant, healthy communities. The Council provides research and data analysis, strategic planning, program development, capacity building and advocacy in service to low-income communities.
These reports are available from the CAC, the SFRA and the Council online at www.urbanstrategies.org/slp.

Additionally, all Community Briefing, workshops and Special CAC sessions were video recorded. Digital recordings are available through the CAC Site Office and the SFRA.
TASK 3 SCOPE OF WORK

The Request for Proposals (RFP) outlined the scope of work for Task 3 as follows:

The purpose of developing the Community Benefits Roadmap in conjunction with the establishment of a QPE is to begin providing the BVHP Area with enhanced community benefits as soon as the Agency’s Net Sales Proceeds become available. These benefits are to include those necessary to position community members, businesses and organizations to participate in the development of the Shipyard from the earliest stages of redevelopment.

The DDA stipulates that permitted uses of the 6 acres of community facilities parcels must: (i) enhance the overall quality of life of residents of the Shipyard and the BVHP Area; and (ii) support the creation of a vibrant new Shipyard neighborhood. The DDA further stipulates that permitted uses of the Net Land Sale Proceeds must: (i) benefit low- and moderate-income families; (ii) eliminate blight; or (iii) meet other urgent community development needs of the BVHP Area.

The RFP further stipulates:

“While the roadmap need not identify preferred providers or funding amounts, it should provide the QPE with an initial, immediately implementable matrix of community benefits on which to base its inaugural and first phase activities.

This task includes:

- 3.1 Identifying best practices at other projects of comparable size and complexity and utilizing resources and history provided by the CAC, the Agency, City departments and community leaders.
- 3.2 Providing a weighted prioritization of services and opportunities to be recommended to the CAC and the Agency Commission for the initial implementation phase of the QPE.
- 3.3 Reviewing, assessing and supplementing activities suggested by the CAC (listed below) as potential permitted uses for inclusion in the Community Benefits Roadmap.
- 3.4 Providing the CAC and the Agency with a written report describing a Community Benefits Roadmap for addressing the community needs identified above and in the BVHP Area Comprehensive Needs Assessment.”
PROCESS FOR DEVELOPING AN INVESTMENT ROADMAP

The development of Roadmap recommendations took place in two stages. In Stage 1, the Council provided information and assistance to the CAC to help the CAC establish priorities for Fund investments. In Stage 2, the CAC considered and selected specific program and investment strategies to address the priorities established in Stage 1.

Both stages of the development of the Roadmap recommendations followed the iterative process described below:

1. First, the Supervisory Team considered information provided by the consultants.
2. Then, the full CAC discussed the Supervisory Team’s initial thinking in an informational session.
3. That discussion informed the Supervisory Team’s and the consultants’ design of a Community Workshop.
4. At the Community Workshop, interested community members could interact with and respond to the ideas being considered for recommendations.
5. The consultants and the Supervisory Team considered the input from the CAC informational session, the Community Workshop and additional information collected by the consultants to devise recommendations.
6. Recommendations were forwarded to the full CAC for consideration and action.

The following is a chronological summary of the process for developing the Community Benefits Roadmap:

1. September 2005-March 2006: The consultants conducted a synthesis of needs assessments for BVHP and did a survey of services and providers resulting in a report and two databases containing the collected information.
2. March 18, 2006: The consultants conducted a community briefing to present their preliminary findings from the needs assessments and survey of services and providers and help the CAC determine investment priorities.
3. June 1, 2006: The Supervisory Team, supported by the consultants, conducted a special session for the full CAC to: review the needs assessments and services and providers survey; begin identifying priorities for the SLF; and gather public input on priorities.
4. June 17, 2006: The CAC, supported by the consultants, conducted a community workshop on priorities for the SLF.
5. July 10, 2006: At its regularly scheduled meeting, the CAC selected economic development (with an emphasis on employment, housing and financial and asset development) as the priority areas for investment.
6. July – August 2006: The consultants prepared a basic introduction to community investment and a set of tools to assist the CAC and community in deciding on investment strategies for SLF assets.

3 See Attachment 2d for a graphic representation of this process
4 For more information on the Community Engagement process of the Shipyard Legacy Fund please see Task 5: Report on Community Outreach, Consultation and Inclusion Plan prepared by Urban Strategies Council.
5 Please see attachment 1a for a summary of this workshop.
6 Please see attachment 3a, the presentation on investment priorities from this meeting; and attachment 3b which outlines different community building areas to be considered when deciding upon priority areas for investment.

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7. August 22, 2006: The Supervisory Team, supported by the consultants, conducted a **special session** for the full CAC on possible investment and program strategies for the SLF fund.8
8. September 9, 2006: The CAC, supported by the consultants, conducted a **community workshop** to gather community input on investment and program strategies.9
9. October 16, 2006: The Supervisory Team presented to the CAC the recommendations of the Supervisory Team and the consultants on the investment roadmap for the SLF. The recommendations were adopted with one amendment.10

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Please see attachment 2a Criteria for Investment; and attachment 3b, Asset Allocation Presentation.
8 Please see attachment 2c: Investment Questionnaire and Summary of Responses; and attachment 3c: Economic Development Activity Frameworks from August 22, 2006 CAC Session. Please also see attachment 3d Opportunity Sites Map.
9 Please see attachment 1b for a summary of this workshop.
10 Please see attachment 5 for a chart of the recommendations.
RECOMMENDATIONS

OVERVIEW OF RECOMMENDATIONS
The next three sections of this report outline the CAC’s approved recommendations on: 1) priority areas for investment; 2) investment spending strategies (or how to spend/invest the Fund); and 3) specific programs and projects (or what to spend/invest the Fund on). Each set of recommendations is followed by the considerations that affected the CAC’s recommendations on that topic.

PRIORITY AREAS FOR INVESTMENT
At its July 10, 2006 meeting, the CAC approved Supervisory Team’s and consultants’ recommendations for priorities for the SLF.11

The three approved recommendations for priority areas for investment were:

4. Select a single area, or a cluster of related community building areas, to serve as an “engine” of change.
5. Establish economic development—with an emphasis on employment, housing and financial and asset development—as the priority for investment.
6. Select specific investments based on whether they address one or more of the other key areas of focus established by the community (these include youth development, services for elders, arts culture and recreation and health, environment and safety).

Considerations for these recommendations included:
1. Every community building area is critically important.
2. The funds initially available though the SLF are not sufficient to address all of the community needs.
3. One of the most pressing overall issues in the BVHP Area is the need to ensure that new investment and development results in concrete community benefits to existing residents of the BVHP Area.
4. Economic development strategies can be the “engine” that creates a chain reaction effect impacting most of the other community building areas identified as priorities.
5. Careful investment in economic development activities can help maintain and increase fund resources while at the same time meeting community goals.

INVESTMENT AND SPENDING STRATEGIES
At its October 16, 2006 meeting the CAC approved a package of recommendations that included both investment and spending strategies for the Fund and an initial spending and investment “roadmap”.12

Approved recommendations for investment and spending strategies include the following:

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11 Please see attachment 3a: Priorities for investment presentation from July 10, 2006; attachment 3b: Community Building Areas; and attachment 3d: Opportunity Sites Map
12 Please see attachment 2b: Assets Allocation Presentation; and attachment 2c Investment Questionnaire and Summary of Responses
4. The SLF should place the majority of the money it receives into an **endowment** and use the earnings from the endowment to fund its operating costs and projects. The remainder of the funds should be placed in direct investments and spending to meet current needs.

5. The percent of SLF money that goes into the endowment and the percent that goes to **direct spending** should be decided after the CAC knows how much the SLF will receive and when.

6. In making decisions on the amount of money placed in an endowment or allocated for direct spending, funds need to be set aside for the **operating expenses** of the Quasi-Public Entity (QPE).

Considerations for these recommendations included:

1. The amount and timing of **SLF funding is unknown** and could well remain fluid until the land sales occur since they are dependent upon market forces.

2. An endowment maintains the majority of the funds for the long term in a fairly **flexible form**.

3. Some of the most immediate community needs can and should be met through **immediate expenditures**, provided these funds can be matched by other sources.

4. It would be optimal to keep a large enough corpus of Fund assets in the endowment to **replenish it in perpetuity**.

5. The community has a significant stake in **sufficiently funding the QPE operations**.

**SPECIFIC PROGRAMS AND PROJECTS**

The initial spending and investment “roadmap” for specific programs and projects was approved by the CAC at its October 16, 2006 meeting.\(^{13}\)

Approved recommendations for specific programs and projects included the following:

6. Create a **Community Benefits Project** which builds community capacity to influence economic development decisions and to reap community benefits from economic development projects and policies affecting the BVHP Area. This would provide the community with **planning, financial, legal, and community organizing expertise** related to economic development. Fund this project from direct spending initially and, later, from endowment earnings. Require matching funds from public and private sources.

7. Create a **Center for Working Families**, a centrally-located, multi-service center with strong links to existing service providers, especially local employment training providers, adult education and higher education resources, and support services like childcare and transportation providers. The Center would help residents reach economic goals by offering financial education classes and one-to-one coaching and peer counseling, easy to access banking services, free tax preparation and counseling, micro lending services, and matching funds for Individual Development Accounts (IDA) savings accounts.

8. Create an **Environmental Justice Fund**, to help address the disproportionate environmental impacts suffered by people living and working within the Bayview

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\(^{13}\) Please see attachment 4a for a summary of the 6 program models considered at the September 9, 2006 Community Workshop. Please also see attachment 3c: Economic Development Activity Frameworks from August 22, CAC session.
Hunters Point Area. The Hunter’s Point Shipyard is a federal Superfund Site and is a facility whose naval past, present and future civilian environmental status is relational to the well-being of the surrounding neighborhood. The fund would provide grants, loans and financial assistance to organizations, small businesses and residents to prevent or redress the impacts of environmental pollution on public health and, thus, enhance overall SLF efforts towards sustainable and equitable economic growth.¹⁴

9. Seek to identify a **Signature Economic Development Project** that will yield a “Double Bottom Line” - both a financial and a social return on investment. Depending on the timing of the investment and the amount needed, fund the signature project from endowment earnings or direct spending. Require that SLF resources be used in projects that leverage other investments.

10. Decide whether the **Community Parcels** will be a suitable location for the Signature Economic Development Project. If not, gather information to determine potential uses for the parcels. Potential uses include serving as a site for community facilities, serving as a site for revenue-generating investment, whether “Double Bottom Line” or not, or owned as a real estate asset to be kept, traded or used in some other way to maximize return on investment.

Considerations for these recommendations included:

1. **Building the capacity and resources** of residents and other community stakeholders to protect their interests during this period of investment and economic growth is a critical need in the BVHP Area. Both recommendations 1 and 2 do that.

2. These recommendations are in accord with the **investment priorities** previously established by the CAC in July.

3. Recommendations 4 and 5 are based on currently available **information** regarding the timing of the receipt of fund assets, the size of those assets and the size, location and other characteristics of the Community Parcels.

¹⁴ Recommendation 3 was added after the 10/16/06 CAC meeting in response to a motion adopted at that meeting that the Shipyard Legacy Fund Initial Investment Roadmap recommendations should include a recommendation for the creation of an Environmental Justice Fund.
DETAILED RECOMMENDATION REGARDING THE ENDOWMENT
Place the majority of the Fund into an endowment and use the earnings from the endowment to fund operating costs and projects.

An endowment fund is a fund which yields income\textsuperscript{15}. The SLF Endowment could be a perpetual fund (a fund which lasts indefinitely) or it could be designed with an expectation that all funds would eventually be expended.

- Endowment funds are often invested conservatively in a balanced, diversified portfolio designed to meet two goals:
  - The principal appreciates to keep pace with inflation (historically 4%).
  - The return on investment yields income for current purposes.

Our analysis indicated that a fund of $13 million could be maintained in perpetuity with the following characteristics:
- $500,000 annual income yielded for current purposes
- A 4% annual rate of return\textsuperscript{16}

The endowment would be managed by a fiduciary, which could be selected and overseen by the QPE Board. A fiduciary is a trustee that holds and manages the principal for the benefit of another.

Fiduciary powers include:
- Making decisions about investments and routine distributions.
- Hiring appropriate professional services (CPA, broker, and the like).

Fiduciary responsibilities include:
- Record-keeping.
- Observing donor restrictions.
- Administering funds according to the enabling bylaws and other guidelines.
- Reporting on fund activity in a timely and accurate fashion.

The QPE Board or another body designated by the Supervisory Team would create general guidelines and investment targets. Guidelines would be established based on the desired approach to investing regarding some or all of the following criteria:

1. Socially responsible investment practices.
2. Target ranges for rates of growth, income, and total return (you may want to specify different ranges for different funds).
3. Description of the degree of tolerable risk.
4. Description of the strategy for asset allocation (i.e. investing for growth, income or a balance of the two).
5. Description of the circumstances under which the strategy might change

\textsuperscript{15} Please see California Probate Code Section 18500-18509, Uniform Management of Institutional Funds Act available online: \url{http://caselaw.lp.findlaw.com/cacodes/prob/18500-18509.html}
\textsuperscript{16} Please see slide 15 of attachment 2b: Assets Allocation Presentation.
DETAILED ROADMAP PROGRAM MODELS

This section of the report contains more detailed descriptions of each of the recommendations that were accepted at the October 16, 2006 CAC meeting. Where applicable, we have included as Attachments 4b-4d, descriptions of similar programs from around the nation.

RECOMMENDATION #1-COMMUNITY CAPACITIES FOR LAND USE PLANNING:
Build community capacities to effectively participate in planning and decision making.

Project Description:
This project would involve developing a “unit” that would provide services and resources to residents and organizations in the BVHP Area in order to build their capacities to more effectively participate in land use planning and decision making processes. This “unit” may take any number of organizational forms including: an augmentation of an existing organization, a new organization, a collaborative project of several organizations, etc. Its primary purpose would be to provide training and support to residents and community organizations as they attempt to influence economic development, redevelopment and land use policies, practices and projects in the BVHP Area. This “unit” would support efforts to obtain additional community benefits agreements for the BVHP Area and its residents and to monitor and enforce receipt of promised benefits.17

Services:
Information on land use planning processes going on in the BVHP:
  ❖ Analysis of redevelopment plans
  ❖ Social, economic and health impact reports on proposed projects
  ❖ Training to residents and community-based organization staff on redevelopment, economic development and community economics
  ❖ Testimony at public hearings

The types of resources and expertise the unit would assemble could include:
  ❖ Urban Land Use Planning
  ❖ Real Estate Economics
  ❖ Legal Analysis and Advocacy
  ❖ Development Project Financial Analysis
  ❖ Quantitative and Qualitative Research
  ❖ Environmental Analysis and Planning
  ❖ Community Outreach, Organizing and Advocacy

Rough Cost Estimate:
  ❖ Start Up Costs $50,000 to $150,000
  ❖ Annual Operating Costs $300,000-500,000
    ❖ (Includes staffing, consultant/professional services, materials and training, and general operating expenses)

17 Please see attachment 4b for a description of the Dudley Street Neighborhood Initiative and Dudley Neighbors Inc., a similar program in Boston.
Possible matching fund sources:

- **Public**: Redevelopment Tax Revenues
- **Foundation**: Operating and project funding
- **Private**: Individual donors; community benefit agreement allocations
RECOMMENDATION #2-CENTER FOR WORKING FAMILIES:
A comprehensive service and support center to help families and individuals increase their income and to build and protect assets

Project Description:
The Center for Working Families would be a multi-service center with strong links to existing service providers, especially local employment training providers, adult education and higher education resources, and support services like childcare and transportation providers. It would be centrally located in the Bayview, and easily accessible by public transportation.18

Its purpose would be to help Residents:
- Reach economic goals
- Access stable employment and career advancement opportunities
- Receive available income and work supports
- Developing strategies to increase their income
- Reduce their daily living expenses
- Generate new wealth for their communities
- Access fairly-priced financial services within their neighborhood.

Services:
On-site services would include:
- Screening and enrollment for income support programs (Food Stamps, etc).
- Free tax preparation and counseling
- Financial education classes
- Low cost check cashing
- Assistance getting low cost bank or credit union accounts
- One–to-one long-term coaching to set and meet personal financial goals.
- Micro lending services for loans up to $2500.
- Matching funds for savings accounts (Individual Development Accounts or IDAs)

Rough Cost Estimate:
- Start up costs $200,000
  - (Includes capitalizing micro loan program, equipment purchases)
- Annual Operating Costs $500,000

Possible leveraging or matching fund sources:
- Public: City, state and federal support for Individual Development Accounts (IDAs), other asset programs
- Foundation: Strong national and local interest
- Private: Potential partnerships with banks and other financial institutions.

18 Please see Attachment 4c for a description of the Abraham Lincoln Center for Working Families, a similar program in Chicago.
RECOMMENDATION #3-ENVIRONMENTAL JUSTICE PROGRAM:
Improve environmental conditions and reduce their adverse health impacts on residents of BVHP

Project Description:
Bayview Hunters Point is a plurality African-American community where the concentrations of poor, middle class and professional people of color confront pollution from light and heavy industrial activities and freeways in greater concentration than any other neighborhood in San Francisco. Bayview Hunters Point is also the home of the Hunters Point Shipyard, the City’s only federal Superfund site: a facility whose naval past, and present and future civilian environmental status, impact the well being of the surrounding residents and neighborhoods. National environmental policy, as referenced in all of the City/ Navy Shipyard transfer and management agreements, holds that “No group of people should shoulder a disproportionate share of negative environmental impacts” (Executive Order on Environmental Justice 1994). To help address the disproportionate environmental impacts suffered by Bayview Hunters Point neighborhoods, which are directly related to the Hunter’s Point Shipyard, it is recommended that a portion of the Shipyard Legacy Fund be directed towards addressing this critical issue. The fund would provide grants, loans and financial assistance to organizations, small businesses and residents to prevent or redress the impacts of environmental pollution on public health.

Services:
Provide matching grants to BVHP residents and organizations to support projects which:
- Provide information on environmental conditions and their resultant health impacts.
- Remediate environmental conditions in BVHP.
- Support residents in organizing to improve environmental conditions or reduce health impacts of environmental conditions.

Rough Cost Estimate:
- Start up costs $100,000
- Annual Operating Costs $200,000
- Grants Annually $500,000 to $2 million
(Start up and operating costs could be lower if added to an existing organization.)

Possible matching fund sources:
- Public: EPA sources, state clean-up funds, redevelopment revenues
- Foundation: Matching Funds
- Private: Individual donors; community benefit agreement allocations
RECOMMENDATION #4-SIGNATURE ECONOMIC DEVELOPMENT PROJECT

Invest in a project that will yield a “Double Bottom Line”- both a financial and a social return on investment.

Project Description:
A Signature Economic Development Project could be either a commercial, residential, industrial or mixed-use project fully or partially financed by SLF investments. The signature project offers the opportunity to bring needed economic development to the underdeveloped neighborhood, possibly redevelop an underutilized or neglected site, and offer a skill-building opportunity for residents from visioning to management of project. Similar projects have also provided asset-building opportunities to residents with investment plans wherein residents could purchase shares in the enterprise. The entire project could be planned, designed, built, leased, and operated by residents, either as direct contractors or as apprentice contractors to build the capacity of neighborhood businesses. It could also allow the community to play a role in attracting needed services and businesses, such as a grocery store, into the planned commercial development.19

Potential Benefit to Community
- Job and business opportunities for resident stakeholders
- Job training and business mentoring opportunities
- Provision of needed services (retail, banking etc.)
- Community ownership and wealth building
- Community-driven design process
- Return to SLF in form of profit

Rough Cost and Return On Investment Estimates
- Build-out costs for the project could vary widely depending on the size of the project and level of investment. $5 million minimum
- Anticipated Return On Investment (ROI) 12 to 15 percent.

Possible matching fund sources:
- Public: Redevelopment, Brownfield funds, tax credit programs,
- Foundation: Matching Funds for pre-development costs, etc.
- Potential Program Related Investment (PRI)- A no- or low- interest loan from a foundation.
- Private: Traditional investors, small investors from the community, Smart Growth Fund, socially responsible funds.

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19 Please see attachment 4d for a description of Market Creek Plaza, a similar project in San Diego.
RECOMMENDATION #5- COMMUNITY FACILITIES PARCELS

Conduct a use and market analysis to determine its optimal functionality and benefit.

The Community Parcels are approximately six acres of land (originally 1.7 acres on Parcel A and approximately 4.3 acres on Parcel B) of a value unknown to the community. Indeed, the precise location of the Parcel B parcel is unknown. Our recommendation is that, as with the Signature Economic Development project, before determining uses for the community parcels, the QPE must first conduct a uses and market analysis of the parcel to determine its optimal functionality and benefit to the BVHP Area.

In order to do this the QPE must have more information regarding:

1. Characteristics of the site:
   - timing for delivery to the QPE
   - toxins
   - value
   - size and boundaries

2. Market analysis for potential uses on that site including:
   - Training/educational facility
   - Rental housing
   - Homeownership with repayment of subsidies
   - Family and senior resource centers
   - Business Incubator facilities
   - Investment in private development with training requirements (i.e. hotels or retail)

Important issues to consider in determining uses for the land:

1. Location and use affect the land’s value as a financial asset.
   - How much cash could you convert it to?
   - What is its value to a buyer?

2. Location also affects the land’s value as a community asset.
   - Is that the best place for the community use you have chosen?

3. What are the optimal mechanisms to leverage funds for the build out of the parcel, under different use scenarios?
NEXT STEPS:
Actions, information and decisions needed to further develop and implement the roadmap recommendations

The Roadmap recommendations reported above were developed given the information at hand about Fund assets, market and community conditions and CAC preferences for QPE structure and design. The Roadmap outlines, in as much detail as possible, the CAC’s recommendations for the initial use of the Shipyard Legacy Fund (SLF) resources. Several pieces of information will be required in order to make the remaining decisions about the Roadmap, refine the recommendations and begin to take action in their implementation.

INFORMATION NEEDS

6. Detailed program plans and budgets for the community benefits project, the working families center, and the environmental justice fund.
7. Precise location and condition of the community facilities parcels
8. A schedule for conveyance of the parcels to the QPE.
9. Amount of cash assets that will accrue to the Fund, when they will begin to accrue to the Fund, and what the disbursement schedule will likely be.
   - Current projections are for $2,100,000 to be available in June, 2009, with the balance of $16,431,654 coming available in February 2010. This, however, is subject to further revision.
   - We would recommend that the CAC explore the possibility of securing a commitment to a schedule and amount.
   - Options for the commitment of other funds to be made available to begin star-up activities in advance of fund asset conveyance ought to be explored.
10. Inventory of opportunity sites, in addition to the community facilities parcels, to be considered for the signature economic development project.

DECISIONS

4. Will the QPE operate any programs directly and if so, which ones?
5. How and by whom will the fund be managed?
6. How much of the Fund’s cash assets will be placed in the endowment and how much will be spent to fund the matched spending programs?

ACTIONS

2. Obtain an official Commission action that approves the CAC recommendations for the Roadmap and QPE.
Task 4
Shipyard Legacy Fund Report ©

Designing a Quasi-Public Entity
To Direct the Shipyard Legacy Fund

July 31, 2007

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I. INTRODUCTION

This document is the last in a series of reports prepared by PolicyLink and the Urban Strategies Council (The Council) in partial completion of our contract with the San Francisco Redevelopment Agency (SFRA) to provide technical assistance and community outreach services to the Hunters Point Shipyard Citizens’ Advisory Committee (CAC). Under the terms of that agreement, the Council conducts outreach, provides information and advises the CAC regarding the uses and governance of the Enhanced Community Benefits included in the Disposition and Development Agreement (DDA) between the SFRA and the Shipyard master developer, Lennar/BVHP LLC. These Enhanced Community Benefits are referred to as the Shipyard Legacy Fund (the Fund). The Fund is comprised of a portion of the proceeds from the sale of some of the land on the Shipyard as well as approximately six acres of land on the Shipyard to be put to community use.

A Supervisory Team comprised of the CAC Executive Committee, the SFRA, the Mayor’s Office and the District 10 Supervisor’s Office oversees the work of the Council under this contract. In conjunction with the Supervisory Team and in ongoing consultation with the broader BVHP Area community, The Council is to complete the following tasks.

1. Undertake a Comprehensive Needs Assessment
2. Conduct a Census and Analysis of Community–Based Service Programs and Providers
3. Develop a Community Benefits “Roadmap” to be comprised of a set of concrete recommendations and implementation activities for the initial uses of the Fund.
4. Identify Models for a Quasi Public Entity which will govern and administer the Fund’s activities and resources.

This document reports on Task 4 activities, and it includes analysis and recommendations pertaining to the structure and functions of the Quasi-Public Entity.

- The first two sections describe the Scope of Work for this component of the larger project and the Process by which the consulting team finalized the conceptual framework, carried out the research, and interacted with the Supervisory Team, the full CAC and community residents to develop recommendations.
- The next two sections outline the Principles that will guide the design and operations of the QPE and the Functions which it will undertake to carry out its mission.
- Following that is a section which provides Background Information on the main components that make up the design of a new community-serving organization: legal and tax structure, governance, operations and finance. Then, the full findings are presented from extensive research into eight types of organizational models that had relevance to the design of the QPE. (Appendices at the end of the document provide the names of organizations and individuals contacted or otherwise studied as part of this task.)
- The Recommendations for the design and start-up of the QPE are then presented, using the same four broad categories employed in the section on structure: legal and tax
structure, governance, operations and finance. This is followed by proposed statements of mission and vision for the new entity.

The consultants wish to express our appreciation to all the members of the Supervisory Team and the CAC, other City and SFRA staff members, Bayview-Hunters Point residents, and leaders of organizations around the country who contributed to the ideas and information provided in this report, and our hope that it is useful for its intended purpose.
II. SCOPE OF WORK

As outlined above, Task 4 asked the Consultants to investigate the structural and governance options for the development of a Quasi-Public Entity (QPE) that would be appropriate to carry out the community benefits program, mission, and vision.

The original Request for Proposals described how the QPE would be an independent entity that over time (and in consultation with the CAC through its public participation process) would further refine its initial mandate (outlined by the Roadmap), develop its own programs and priorities, and may administer the Agency’s Net Sales Proceeds as it develops capacity and expertise.

Given the objective for the QPE to gain independent authority and capacity over time, the Consultants were asked to identify strategies that enable the QPE to evolve over time, and constructing an organizational structure that would be flexible and adaptable to changing programmatic goals.

As stated in the RFP, Task 4 includes:

4.1 Investigating existing models of QPEs and providing a report to the CAC and Agency based upon that review. The report should contain recommendations describing the QPE’s relationship with the CAC and other representative organizations such as the Bayview Hunters Point Project Area Committee (“PAC”), particularly insofar as the Community Benefits Roadmap may be implemented outside of Shipyard boundaries. The research results should feature best practices, and show a relationship to the Key Principles described below:

   o The governing body shall have a meaningful community-based representation with members recruited and selected through an open and fair public process;
   o The QPE will operate in compliance with all laws and regulations governing conflicts of interest, and all business shall be conducted in duly–noticed open public meetings;
   o The QPE will be charged with making recommendations that insure the BVHP Area and not just a few individuals benefit from Net Sales Proceeds;
   o Transparency and public accountability will necessarily guide all operations and actions of the QPE;
   o Use of funds will focus on building the capacity of existing and competent community–based entities wherever possible; and
   o Use of funds and community facilities parcels and will be geared towards leveraging additional outside sources of funds to the maximum extent possible.

4.2 Evaluating the various models of QPEs, including:

   o Advantages and disadvantages, including benefits and costs;
   o Steps required for formation;
   o Length of time required to form the entity;
   o Preferred number of members on the governing body;
   o Preferred selection process for members;
Recommended management structure;
- Requirements for long–term sustainability;
- Initial capitalization requirements and ongoing budget requirements for operation; and
- Recommended community involvement strategy to encourage as much community participation as possible.

4.3 Providing the CAC and the Agency with a report describing three preferred models with recommendations for the structure and formation of the QPE.

4.4 Creating Mission and Vision statements for the QPE. These statements shall include, among other things:

- An articulation of core goals and objectives of the QPE;
- Approaches the QPE may employ to increase its capacity for achieving those objectives such as leveraging funds through available methods, such as Community Reinvestment Act (CRA), California Organized Investment Network (COIN), and foundation funding; and
- Providing investments to developers with a primary business address in the BVHP Area and/or owned by a resident of the BVHP Area (Community Builders) who undertake vertical development at the Shipyard.

These tasks outlined in the RFP were incorporated into an investigative framework and presentation structure developed by the Consultant Team and presented to the Supervisory Team and the CAC. The following report presents the results of the Consulting Team’s examination and evaluation of organizational models relevant to the development of the QPE.

- “Guiding Principles” (Section IV) expands the Key Principles described in Section 4.1 of the RFP to define how they can be embodied within organizational structure and governance and outline questions to pose of the specific organizations examined in search of best practices for the QPE.

- “Implementing the Roadmap and Beyond: QPE Functions” (Section V) outlines the five organizational functions that the QPE may carry out either at its inception or over time as it develops and refines its activities.

- “Key Components of QPE Structure” (Section VI) presents the framework for understanding and investigating the primary components of organizational structure developed by the Consultants and used to investigate existing organizational models and examples and provide specific recommendations for the QPE.

- “Analysis of Organizational Models for the QPE” (Section VII) describes and analyzes eight different organizational types using the criteria described in Section 4.2 of the RFP and the Guiding Principals for QPE design. “Organizational Models” are defined as existing organizations that have functional and structural characteristics that embody to some degree the principles that the QPE is to embody and the types of activities that the
QPE is likely to carry out given the Roadmap decisions. These examples were selected based on a national scan of organizations and interviews with experts in the community building field.

- “Recommendations for Structure and Formation of the QPE” presents the recommendations developed by the Consultant Team in collaboration with the Supervisory Team/CAC for the design and governance of the QPE, as described in Section 4.3 of the RFP.

- “Mission and Vision Statements for the QPE” presents the required organizational statements described in Section 4.4 of the RFP.
III. PROCESS

The following is a chronological summary of the approach taken to analyzing QPE structure, design, and models. This summary includes key presentations and decisions made at Supervisory Team and CAC meetings regarding the direction of the QPE research and highlights the ways in which the final report reflects, in its areas of emphasis and structure, decisions made by the group throughout the process. Monthly written reports about the progress of this task, as with all other tasks in the consulting project, were provided to the Supervisory Team. The narrative in this section makes reference to materials that appear in other sections of this final report.

The development of a plan for the Quasi-Public Entity began in the fall of 2005 with deliberations of the Supervisory Team and CAC about the principles that should guide the design and operations of the QPE. Through several discussions, the guiding language provided in the DDA and the project RFP were distilled into a set of principles for an inclusive, fiscally responsible, efficient and effective organization. A preliminary set of possible functions for the QPE was also developed and presented to the Supervisory Team, with the understanding that the Roadmap priority-setting process would help determine which functions would be more prominent.

Also beginning in the early months of the project, PolicyLink conducted background research on models and examples of organizations around the country which had characteristics relevant to the Shipyard Legacy fund situation. The principles, functions, and plans for conducting this research into organizational models were reviewed and approved by the Supervisory Team on March 15, 2006 based on a memorandum dated March 10, 2006. A progress report was provided in July 2006 on the analysis of models. The background research initially yielded eight diverse types of entities with possibly relevant structural qualities. The models and the examples were analyzed through interviews with leaders in the community development, economic development and nonprofit management fields, both locally and around the country, the literature in these fields, and from documents by and about a large number of individual organizations.

While the comparative research was underway, PolicyLink began collecting, analyzing and preparing information about general guidance for the creation of new organizations in the areas of governance, legal and tax requirements, operations and finance. A preliminary report on this work was discussed with the Supervisory team on September 20, 2006 and a memorandum on these issues was completed in October.

The development of priorities for the Roadmap for use of the Shipyard Legacy Fund focused the preliminary choices about functions for the QPE, and also allowed for a narrowing of the range of organizational models that needed deeper examination. In the second half of 2006, that research on models continued, and a set of preliminary findings and recommendations were ready for review and discussion by the special meeting of the CAC held on October 23rd and the third community workshop, which was held on November 4th. These findings and recommendations were then discussed by the Supervisory Team and the CAC and revised based on those discussions. The preliminary recommendations were summarized in a memorandum to the Supervisory Team in November, and included in January 2007 as part of a package of all
project research materials provided to the Supervisory Team, CAC members, and senior staff of the Redevelopment Agency.

In January 2007, the Supervisory Team determined that further analysis of several models from other cities, combined with the opportunity to discuss these models with reference to the Shipyard context, would be valuable and necessary as part of their process for finalizing the QPE structure. In response, the consulting team developed a proposal for a fourth community workshop to feature leaders of several organizations that embodied effective practice in several of the most relevant models in the typology used throughout the project. A contract modification was worked out which supported the **fourth community workshop**, held on May 19th, 2007. Representatives of the Dudley Street Neighborhood Initiative in Boston (a community development entity and a land trust) the Figueroa Corridor Community Land Trust of south Los Angeles, (a land trust and an entity implanting a community benefits agreement) and Market Creek Plaza, a project of the Jacobs Center for Neighborhood Innovation and the Neighborhood Unity Foundation in southeast San Diego (an operating foundation and a community foundation) joined the CAC and BVHP residents for a day-long discussion of organizational histories, models, challenges and accomplishments.

The preliminary recommendations were further revised based on the discussion at the workshop and the May and June Supervisory Team meetings and the June CAC meeting. **The recommendations were discussed and approved by the full CAC on July 9th, 2007.**
IV. GUIDING PRINCIPLES

The Citizen’s Advisory Committee, the San Francisco Redevelopment Agency, and the community have identified a number of principles to shape the formation and ongoing character of the QPE. As outlined in the Scope of Work for Task 4, the RFP detailed a number of these principles. These principles can be summarized as inclusivity; effectiveness; and efficiency/fiscal responsibility. The QPE must be inclusive, with robust community participation in all aspects of its work. Its programs effectively fulfill the goals articulated by the community. And it must be as efficient and fiscally responsible as possible in carrying out its mission. These principles will pervade the organization’s governance, including the constitution of its governing body as well as its procedures for decision-making, management, and oversight, as well as its specific operations, from planning to implementation to evaluation.

To facilitate the development of an organization that embodies these principles, the Consultant Team recognized a need to develop clear definitions of how these principles would “look” within an organization. Refining these principles would enable the team to assess the degree to which a given organizational structure or example is inclusive, effective, and efficient and in what particular ways.

The first step taken toward refining and operationalizing the three guiding principles for the QPE was to outline their various “dimensions” in the context of community development entities:

- The principle of **inclusivity** has four dimensions:
  1. **Participation** of community members in decision-making;
  2. **Representation** of community sub-groups and interests in decision-making;
  3. **Accountability** to the community; and
  4. **Transparency** in its decisions and activities.

- The principle of **effectiveness** comprises five dimensions:
  1. **Responsiveness** (to the needs and priorities identified by the community);
  2. **Impact** on the specific issue or need being addressed;
  3. **Leverage of assets** to extend the QPE’s lifespan and maximize impact;
  4. **Scale** of impact appropriate to the amount of resources controlled;
  5. **Sustainability** of the impacts and changes brought about by QPE activities.

- The principle of **efficiency** includes three dimensions:
  1. **Strategic use of funds** to maximize resources, minimize administrative costs, stimulate additional investment, and coordinate with other programs and investments;
  2. **Capacities of organizational systems** to ensure fiscal management and oversight; and
  3. **Capacities of staff/volunteers** to undertake the activities and functions of the QPE.

The Consultant Team developed questions to use to assess whether and to what degree the functions and structures of organizations embodied the specific dimensions of each of the Guiding Principles for the QPE. Figure 1 presents the questions developed for each of the three principles and twelve dimensions.
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<th>Guiding Principle</th>
<th>Dimension</th>
<th>Questions</th>
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| Inclusive        | Participation      | - What is the level of resident/community participation on governing board? Other governing structures?  
                    |                    | - What methods of community engagement are used? What assistance for underserved groups?  
                    |                    | - To what extent do programs/activities ensure participation by various community sectors (residents, community-based organizations, businesses, governmental agencies, philanthropy, and private investors)? |
|                  | Representation     | - Does the board and staff of the organization represent the current and changing socioeconomic and racial diversity of the community?  
                    |                    | - Do the programs/activities serve the priority needs and interests of the community? |
|                  | Accountability     | - What mechanisms or policies are in place to ensure the organization is being held accountable to the community? |
|                  | Transparency       | - What data collection, reporting, and communications mechanisms keep community members informed? |
| Effective        | Responsiveness     | - How are community needs (issue area, population targets) identified by the organization?  
                    |                    | - How are organizational priorities developed over time? How does the organization adapt to changing needs and circumstances?  
                    |                    | - Do programs address needs, priorities, and gaps within the community? |
|                  | Impact             | - How does the organization monitor and evaluate progress towards its goals? How is the information used to improve programs and services? |
|                  | Leverage of assets | - What are the investment criteria for organizational funds given its priorities and programs? |
|                  | Scale              | - How can programs be developed or structured to maximize impact |
|                  | Sustainability     | - Does the organization have a plan for sustainability? |
| Efficient        | Strategic use of funds | - Are investments/programs catalytic?  
                    |                    | - What proportion of costs are administrative versus programmatic?  
                    |                    | - How do investments/programs relate to other resources serving the community? Are they duplicative? Do they fill gaps in services? |
|                  | Capacities of organizational systems | - What is the appropriate structure to deliver the organizational functions? Is there more than one legal entity?  
                    |                    | - How are programmatic activities selected? |
| Capabilities of staff/volunteers | What is the organization’s staffing pattern? |
V. IMPLEMENTING THE ROADMAP AND BEYOND: QPE FUNCTIONS

As consistently expressed by the stakeholders involved in the Shipyard Legacy Fund process and codified in the RFP, the QPE is expected to evolve into an independent organization that will continue to serve the community after the initial Roadmap activities have been carried out. The structure of the QPE needs to be sufficiently flexible to accommodate organizational growth and changes in programmatic priorities.

Although we cannot know what specific programs the QPE will decide to undertake in the future, we do know the array of community building functions that these programs will fall within. These functions include: grantmaking, financial investment, capacity building, community-based research and planning, and neighborhood development. A number of the priority programs identified through the Roadmap process illustrate the relevance of these functions for the QPE’s initial activities:

- Implementing the **Community Benefits Project** would require an organization that is adept at capacity building and community-based research and planning.
- The **Environmental Justice Fund** would require that the QPE carry out grantmaking.
- Funding a **Signature Economic Development Project** would require financial investment.
- Determining the appropriate use of the **Community Parcels** would require community-based research and planning.

Each of the organizational functions that the QPE is likely to assume presents various benefits, challenges, and tradeoffs in relation to the key principles of the QPE. Each function is briefly described below.

A. **Grantmaking**

Grantmaking entails the provision of funds to programs or organizations. Grants may support established community organizations or promote innovation or the development of new programs and services. Key decisions to be made about grantmaking efforts include the number and dollar amount of grants; whether grants are provided for project-based support or operating support; what evaluation and reporting will be required; and the duration of grants.

**Benefits** of grantmaking include:
- Supporting a wide range of organizations of varying sizes and capacities, as well as a range of programs and activities.
- By building organizational capacity and leveraging resources from other donors, grantmaking can increase the potential for long-term sustainability of community organizations.
Grant pools create incentives that can spur innovations and draw expertise from those with the knowledge, experience, and connections to best meet community needs.

**Challenges** of grantmaking include:
- Unless a permanent funding base is established, such as an endowment, grantmaking programs will not be able to sustain funding over the long-term without leveraging additional resources.
- The sustainability of grantmaking organizations is explicitly linked to the capacity and sustainability of nonprofit community based organizations, which are typically dependent on grant programs and require ongoing grants in order to sustain their activities.

**B. Financial Investment**

Financial investment refers to the provision of financial capital for organizations or entrepreneurs that build the infrastructure and/or economic base of target communities and are expected to produce a financial, as well as a social, return on investment. Investments vary in terms of size, duration, level of risk, whether they are for individual investments or as part of a pool of capital, and whether they are for debt or equity. Investment strategies vary in scale. Smaller-scale investment strategies include selling individual shares in local businesses, or providing loans to aspiring entrepreneurs for small business development or to potential homebuyers. Larger-scale investments include bricks and mortar developments—such as housing developments, commercial centers, and community facilities.

**Benefits** of financial investment include:
- The ability to leverage additional financial resources. Partners such as community development intermediaries, banks, or private foundations may be willing to provide matching funds for initial investments.

**Challenges** of financial investment include:
- They require a high level of specialized expertise.
- There is financial risk to the resources of the QPE.
- Ensuring meaningful community participation in these activities will require training and technical assistance.

**C. Capacity Building**

The goal of capacity building is to increase the ability of community organizations, leaders, and residents to engage in community building and be effective community change agents. Activities include education and training opportunities to build skills and leadership, providing information and communications resources, assisting with fund development, creating networking opportunities, and providing financial resources. Successful capacity building programs include a commitment to building the skills of all stakeholders—including members of the governing body, program staff and the community—through various engagement strategies. Community capacity building often entails increasing the capacity of community organizations to effect systems and policy changes that support particular community goals.
Benefits of capacity building include:
- Leveraging the impact of community investments. Investing in capacity building means investing in the permanent community building infrastructure by strengthening the base of organizations and leaders in the community that can respond to opportunities and needs as they arise. This can have long-term consequences for sustainability.

Challenges of capacity building include:
- Significant devotion of resources, time, and energy.
- In isolated and fragmented communities, building community capacity means finding or creating effective mechanisms for organizations and leaders with historical antipathy for one another to work together to solve problems and implement change.

D. Community-Based Research and Planning
Another key community building function is neighborhood-based research and planning. Community planning involves the community in a process of analyzing community needs and priorities, developing a vision for the future, and determining strategies for achieving that vision. Research capacity can equip the community with the data and analysis needed to participate effectively in planning and policy processes.

Benefits of community-based research and planning include:
- This function could provide the QPE with a mechanism to have an ongoing understanding of community needs, priorities, and activities, and conduct its activities and investments in the most strategic way, taking into account other resources and agencies serving the Bayview.
- The community assessment involved in planning and policy activities has the potential to ensure that the QPE is being responsive to changing community circumstances, and anticipate and capitalize on emerging opportunities.

Challenges of community-based research and planning include:
- Requires certain specialized expertise that might not be present in the community; may need to be coupled with capacity building programs.

E. Neighborhood Development
The development of commercial and residential property is another potential QPE function. Development projects include housing developments, retail centers, office space, health clinics, community recreation centers, land trusts, etc. Funds can be used to promote affordable housing and resident entrepreneurship as well as provide services and amenities such as health clinics and grocery stores.

Benefits of neighborhood development:
- This function could provide a physical anchor for further revitalization efforts that seek to manifest the vision and goals of the community as the area is undergoing rapid change.
- A development function embedded within the QPE could facilitate increased community ownership of real property within the Bayview community and with it more control over the development process and who benefits from it.
Challenges with neighborhood development:

- Directly engaging in bricks and mortar development requires a sophisticated organizational infrastructure and skilled staff.
- There already exists a rich network of for-profit and non-profit developers in the Bay Area, and it may be more which provides many options for the QPE to turn to for implementing priority development projects.
VI. KEY COMPONENTS OF QPE STRUCTURE

This section lays out the framework used to analyze options for QPE design, including subsections devoted to each of four key components of organizational structure:

- a. Legal and Tax Status
- b. Governance
- c. Operations, and
- d. Finances.

This framework includes and expands upon the evaluation criteria described in the RFP (Section 4.2). Each sub-section includes descriptions of important aspects of the component, summarizes options, identifies key legal requirements and important lessons and precedents, and provides background information which the CAC and the SFRA have used, and can continue to use, in the development of the QPE.

The early discussions with the Supervisory Team and the early results of the scan of organizations and models made it clear that the QPE would need some type of formal structure through which its leaders, both the board members and the staff, would be capable of making policy decisions, managing financial resources, and administering programs and investments. The basic requirements for creating organizations of various kinds were therefore laid out for guidance and consideration midway though the project, before design choices had been made. As the parameters of the activities of the QPE became somewhat more defined throughout the course of the project, additional information was brought to bear about options for operations and the management of finances. Choices regarding certain levels of detail about operations and finance will be dependent on more precise estimates than are currently available about the timing and amount of initial funding, and on decisions about the initial QPE projects. This report has advanced the structural options as far as they can be taken at this time.

A. Legal Structure and Tax Status

1. Legal Status

a) Overview and Options

In the United States, nonprofits can operate as unincorporated associations, charitable trusts, or corporations. Unincorporated associations have fewer government reporting requirements but it is difficult for them to gain tax exemption and they cannot receive grants from most foundations and corporations. Charitable trusts can be recognized as tax-exempt, but they do not offer their trustees the same protections from personal liability as can nonprofit corporations. Most groups choose to incorporate as a nonprofit corporation if they require substantial public support to operate, and if they expect their operations to be ongoing.

The benefits of forming a nonprofit corporation include:

- Nonprofit status is usually a requirement for obtaining funds from government agencies and private foundations
o Ability to purchase property, enter into contracts, and dissolve when appropriate
o Incorporation provides helpful protection against liability
o Corporate status provides credibility to the organization in its dealings with third parties and the community
o Maintaining clear lines of accountability and authority can be easier under the structure of a formally constituted corporation, governing board, and set of bylaws
o Can attract donations that are tax-deductible to the donors
o Can receive exemption from paying state and federal income taxes

b) Lobbying and Nonprofit Status

There are some limitations placed on nonprofit organizations with respect to their engagement in legislative and electoral politics. Some basic information follows, but if an organization plans to undertake policy advocacy activities, which may or may not include lobbying, either upon formation or subsequent to its formation, its board/staff should be certain to (a) educate itself with respect to the rules that apply to nonprofits regarding lobbying activities and (b) consult with an attorney with experience in nonprofit law to ensure that it complies with all applicable rules and regulations. If a 501(c)(3) tax exempt nonprofit organization expects to engage in some lobbying activities, it needs to decide whether to take the 501(h) election for 501(c)(3) organizations (IRS Form 5786), which allows nonprofits to be covered by a clearly defined set of lobbying rules. Legal counsel should help the organization with this decision.

501(c)(3) organizations are prohibited from electioneering, or participating or intervening in any political campaign on behalf of any candidate for public office. 501(c)(3) organizations are able to conduct a wide range of policy activities including lobbying on specific legislation, but lobbying cannot be a “substantial” part of their activities. Under the Internal Revenue Code, lobbying is support of or opposition to, or a call to action on, specific legislation. This does not include impartial analyses of legislation, research and education on policy issues, general advocacy on issues of public policy, or grassroots campaigning on matters that do not involve legislation. Lobbying also does not include activities taken with respect to regulatory policy.

If a 501(c)(3) organization wants lobbying to be a substantial part of its activities (more than 20 percent) then it may want to establish a separate nonprofit “social welfare” organization with 501(c)(4) tax exempt status to conduct lobbying activities. 501(c)(4) organizations serve tax exempt purposes, but are not charitable. The main legal difference between (c)(3) and (c)(4) organizations is that contributions to 501(c)(4)’s not tax-deductible to donors. 501(c)(4) organizations are usually exempt from state income and franchise taxes, but not sales tax and they are not normally eligible for reduced postal rates. The governing board of the 501(c)(4) may be the same board that governs the 501(c)(3), or partially or completely independent. Funds given to the (c)(3) cannot be used by or commingled with the 501(c)(4).

c) Incorporating as a Nonprofit in California

Under the California Nonprofit Corporation Law, there are three primary types of nonprofit corporations: public benefit, mutual benefit, and religious.
A Public Benefit Corporation is either:
- organized primarily for charitable purposes and plans to obtain state tax exempt status under Section 23701d of the Revenue and Taxation Code and/or federal tax exempt status under Section 501(c)(3) of the Internal Revenue Code; or
- organized to act as a civic league or a social welfare organization and which plans to obtain state tax exempt status under Section 23701f of the Revenue and Taxation Code and/or federal tax exempt status under Section 501(c)(4) of the Internal Revenue Code.

A nonprofit mutual benefit corporation is a corporation formed for other than religious, charitable, civic league or social welfare purposes and planning to obtain tax exempt status under provisions other than Sections 23701d, 23701f, 501(c)(4) or not planning to be tax exempt at all.

A nonprofit religious corporation is organized to operate a church or to be otherwise structured for primarily religious purposes.

The fee for filing Articles of Incorporation with the Secretary of State of California on behalf of a nonprofit, nonstock corporation is $30.

The incorporation process is rather straightforward. Some recommend that an attorney assist with the incorporation process, but many nonprofit organizations are able to complete this step on their own.

d) Resources
“Organization Of Domestic Nonprofit, Nonstock Corporations,” California Secretary of State, found at http://www.ss.ca.gov/business/corp/corp_artsnpinf.htm. This website provides an overview of the types of nonprofit organizations and the steps required to form a nonprofit in the state of California. Included on this page are links to sample articles of incorporation for a nonprofit public benefit corporation.


2. Tax Status
a) Overview and Options
The tax status of a nonprofit affects operations because a tax designation carries with it certain regulatory requirements and operational expectations that have implications for organizational structure, including board size, staffing structure, and lobbying activities.

Although there are 28 forms of federal tax exemption under the Internal Revenue Code (26 U.S.C. § 501(c)), nonprofit organizations typically seek tax exemption under section 501(c)(3).
This is the most favorable form of tax exemption, since 501(c)(3) organizations are exempt from federal taxes and contributions given to them are deductible by donors for income tax purposes. The overwhelming majority of private foundations in the U.S. award grants only to organizations that have this particular tax-exempt status.

There are three principal classifications of 501(c)(3) organizations: public charities, private foundations, and private operating foundations. Public charity status is a more favorable tax status than either private foundation status.

b) Public Charity.

A public charity normally receives a substantial part of its income, directly or indirectly, from the general public or from the government. The public support must be fairly broad, not limited to a few individuals or families. To be deemed a public charity, the organization must meet criteria set forth by the IRC related to organizational type or level of public support:

- **Organizational type.** Schools, churches, hospitals, public safety organizations, and organizations that support one or more public charities are considered public charities.
- **“Public support” test.** Other organizations receive (c)(3) status by meeting a test of public support. This test is met if the organization normally receives not more than one-third of their financial support from gross investment income and receive more than one-third of its financial support from contributions, membership fees, and gross receipts from activities related to their exempt functions. Organizations that receive a substantial part of its financial support in the form of contributions from governmental units, publicly supported organizations, or the general public are considered publicly supported and able to receive public charity status.

c) Private Foundation.

Private foundations (or private nonoperating foundations) receive most of their income from investments and endowments and do not raise funds from the public. They generally do not engage in direct charitable activities but instead make grants to other nonprofit organizations. Ninety percent of foundations are nonoperating foundations. There are several restrictions and requirements on private foundations, including:

- They must allocate assets each year for charitable purposes to equal about 5% of their endowments;
- They pay a 1% or 2% excise tax to the federal government as determined by an IRS formula;
- Restrictions on self-dealing between private foundations and their substantial contributors and other disqualified persons;
- Limits on their holdings in private businesses; and
- Provisions that investments must not jeopardize the carrying out of exempt purposes.
d) Private Operating Foundation.

A private operating foundation is a private foundation that devotes most of its earnings and assets directly to the conduct of its tax exempt purposes, rather than to making grants to other organizations for these purposes. To qualify as an operating foundation, the foundation must spend substantially all (85%) of its net investment income directly for the active conduct of its own exempt activities. Operating foundations usually obtain their operating funds from an endowment created by the original donor, but some receive their operating funds through annual contributions from one donor or a small number of donors. This tax status is more favorable than private foundation status, but not as favorable as public charity status:

- Operating foundations are often classified as private foundations rather than public charities because the number of donors is too small to meet the public support test described above.
- Operating foundations are not subject to the same requirements for distributing income as private foundations, and donors may contribute a greater proportion of their income to operating foundations than to other private foundations. Contributions are deductible by the donors to the extent of 50% of the donor’s adjusted gross income, whereas contributions to all other private foundations are generally limited to 30% of the donor’s adjusted gross income.

e) Applying for federal tax exemption

Nonprofits must complete IRS Form 1023 to apply for recognition for tax exemption. Unlike articles of incorporation, this form is quite complicated and detailed and takes a substantial amount of time to complete. Most organizations obtain legal assistance from an attorney familiar with corporate or nonprofit law to complete this form. Public interest legal organizations can connect nonprofit organizations with volunteer business lawyers.

Form 1023 requires an actual or projected budget for three or four years (depending on how many years it has existed) and a balance sheet for the organization’s most recently completed tax year. If an organization has not completed a tax year, it should provide a statement of actual assets, liabilities, and fund balances (net assets) based on its most current information.

The IRS processes applications for tax exemption in the order in which they are received. Organizations can expect this:

- The user fee for an exemption application depends on the applying organization's average annual gross receipts. If the organization's average annual gross receipts have exceeded or will exceed $10,000 annually over a four-year period, the fee is $750. If gross receipts have not exceeded or will not exceed $10,000 annually over a four-year period, the user fee is $300.

f) Applying for state tax exemption

To obtain exemption from California income and franchise taxes, a nonprofit must complete an application with the Franchise Tax Board (Form 3500). There is a $25 application fee associated with this form.
g) **Resources**


California Franchise Tax Board: [http://www.ftb.ca.gov/](http://www.ftb.ca.gov/)

**B. Governance**

1. **The Quasi-Public Nature of the Organization; the Division of Roles and Responsibilities Between the QPE and the SFRA**

The QPE needs to combine the requirements for community-based decision-making and organizational capacity with the requirements of the City’s fiduciary responsibility for funds provided to the City through an agreement with the private developer of public land: the Shipyard. There are three basic structural features which can allow for the necessary public input and oversight while maintaining the independent identity, policy-making authority, and accountability to the community, of the new organization.

   - As called for in the **Disposition and Development Agreement**, the Redevelopment Agency will review and approve the annual budget of land sale proceeds funds that flow to the QPE.
   - A contract between the SFRA and the QPE, assuming it is a nonprofit organization, would define the terms by which the land sale proceeds funds would be applied to the mission and activities of the QPE.
   - Representatives of City government could sit on the board of directors of the new QPE organization, thereby sharing in the deliberations and decision-making and ensuring a complete flow of information and ideas in both directions.
   - Background information about these factors is elaborated on in the following section, and the specific proposals are described in the **Recommendations** component of this report.

2. **Governance Structure**

a) **Traditional Board**

**Purpose of a Board of Directors**

A Board of Directors is a group of individuals legally charged with the responsibility to oversee or govern a nonprofit or for-profit corporation. All incorporated organizations, whether nonprofit or for-profit, must have a Board. Boards are responsible for setting the direction of an organization and establishing top-level policies and plans. The Executive Director or Chief Executive Officer of an organization is then responsible to manage the organization’s resources and also to implement all policies and plans (often with staff support).
Formation of the governing board of the QPE is one of the most important early decisions for the Shipyard Legacy Fund. The original incorporators must determine who will sit on the QPE’s initial board and how board members will be selected in the future. Establishing a governing board for the QPE composed of individuals with diverse backgrounds and people from different areas of the Bayview/Hunters Point neighborhood is critical to realizing the mission of the Shipyard Legacy Fund. It is important to seek representation from types of community residents and organizations intended to benefit from the Shipyard Legacy Fund, including community organizations and individuals who have direct experience with the target populations and neighborhoods for the Shipyard Legacy Fund. An ongoing commitment and process to maintain a diverse and broadly representative governing board should be stated in the Bylaws.

The following board roles and responsibilities have been identified in *In Boards We Trust*, written by Brenda Hanlon:

1. **Provide continuity for the organization** by setting up a corporation or legal existence, represent the organization’s point of view through interpretation of its products and services, and establish advocacy for them.

2. **Select, appoint, and evaluate a Chief Executive Officer** to whom responsibility for the administration of the organization is delegated, including:
   a. To review and evaluate his/her performance regularly on the basis of a specific job description including the Chief Executive Officer’s relations with the Board and leadership in the organization, in program planning and implementation, and in management of the organization and its personnel.
   b. To offer administrative guidance and determine whether to retain or dismiss the Chief Executive Officer

3. **Govern the organization by broad policies and objectives**, formulated and agreed upon by the Chief Executive Officer and employees, including assigning priorities and ensuring the organization’s capacity to carry out programs by continually reviewing its work.

4. **Acquire sufficient resources for the organization’s operations** and to finance the products and services accurately.

5. **Account to the public** for the products and services of the organization and expenditures of its funds, including:
   a. To provide for fiscal accountability, approve the budget, and formulate policies related to contracts from public or private resources.
   b. To accept responsibility for all conditions and policies attached to new, innovative, or experimental programs.

New members to nonprofit boards are often provided individual and group training in conducting the business of a board from an established nonprofit organization support center. This should be arranged for the QPE board members.

b) **Type of Board**

**Overview and Options**

There are several potential structures for the QPE Board of Directors. The most effective and efficient Boards are ones where the responsibilities of board members, and how the Board relates
to staff, are clearly defined. The following options exist for the type of Board that could be established to guide the QPE:

- **Working Board.** In a “working” Board, Board members attend to the top-level strategic matters of the organization, and at the same time attend to the day-to-day matters of the organization. This type of board usually arises when an organization is just getting started, cannot afford staff, or has only volunteer staff. The nature of this Board structure is usually flexible and informal, with board members and any existing staff work together to do whatever they can.

- **Policy Board.** A policy Board is often viewed as more developed. On a policy Board, paid and/or volunteer staff members have been recruited and organized. Thus, Board members attend primarily to strategic matters, operating in a fashion that maintains strong, strategic focus for the organization, while staff decides the means to achieve goals and attend to day-to-day matters. Board members set limits within which the Chief Executive Officer operates, e.g., financially, strategically, etc. A policy board may have a variety of Board committees and an Executive Director who reports to the Board, or it may choose to have few, if any, distinct officer roles or Board committees.

- **Collective Board.** Board members and staff share equal responsibility in deciding strategic matters and carrying them out, as well. This type of Board is often popular among cultures that highly value equality and power sharing for the good of the community.

c) **Size of Board**

**Overview and Options**

A central consideration in designing the structure of the QPE is the size of the governing board. A BoardSource survey of nonprofit organizations found the average board size to be 17 members and the median 15 members. Among grant-making organizations, those with greater assets typically have more board members than those with smaller assets. Boards that strive to be representative of the communities they serve—which would be the case with the Shipyard Legacy Fund—tend to have larger boards.

Some of the key questions to consider in determining the size of a board:

- What kind of work does the board do at its meetings?
- Is the board a policy board, a hands-on “working” board, or a combination of the two?
- What skills does the board need to meet its goals?
- How would the size of the board affect its culture, communication and work style?

Many boards set a range for members instead of an exact number. Some boards go larger out of concern for meeting a quorum—the percentage of board members that must be present—for a vote to count. Many organizations choose an uneven number of board members to help avoid tie votes.

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1 The following description of board types is adapted from the *Field Guide to Developing and Operating Your Nonprofit Board*, Carter McNamara

2 [www.boardsource.org](http://www.boardsource.org)
As we think about the ideal size for the QPE board, we must strive to meet the goals of inclusiveness and community representation but not get in the way of the board’s effectiveness.

Several options exist:
- **Small-Size** Board (approximately 5 members)
- **Medium-Size** Board (approximately 6-15 members)
- **Large-Size** Board (16+ members)

The chart below reviews the advantages and limitations of small and large boards. Medium-sized boards tend to balance these advantages and limitations.

<table>
<thead>
<tr>
<th>Size</th>
<th>Advantages</th>
<th>Limitations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Boards</td>
<td>o Board members feel more ownership and responsibility for the work.</td>
<td>o Small numbers limit opportunities for diversity and inclusiveness.</td>
</tr>
<tr>
<td></td>
<td>o Communication and interaction may be easier/more flexible.</td>
<td>o Fewer skills and perspectives are represented at the table.</td>
</tr>
<tr>
<td></td>
<td>o Board members know each other as individuals, creating unity.</td>
<td>o Fewer people are available to serve on committees; heavy work load may create burnout.</td>
</tr>
<tr>
<td></td>
<td>o Every person’s participation counts.</td>
<td>o For public/community foundations fundraising becomes a burden on the shoulders of a few.</td>
</tr>
<tr>
<td></td>
<td>o Board members may gain more satisfaction their involvement.</td>
<td>o Less continuity in times of leadership change.</td>
</tr>
<tr>
<td></td>
<td>o Fewer staff are required to support the administrative functions of the board.</td>
<td></td>
</tr>
<tr>
<td>Large Boards</td>
<td>o Larger numbers allow for more opportunities for diversity and inclusiveness.</td>
<td>o Members may feel less individual responsibility and less ownership of the work.</td>
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<tr>
<td></td>
<td>o More seats allow for inclusion of legal and financial advisors, community leaders and funding area experts.</td>
<td>o Large groups may hinder communication and interactive discussion.</td>
</tr>
<tr>
<td></td>
<td>o Work can be shared among the group; more people are available to serve on committees.</td>
<td>o Cliques or core groups may form, deteriorating board cohesion.</td>
</tr>
<tr>
<td></td>
<td>o Fundraising may be easier because there are more people on the board with more connections.</td>
<td>o Some voices may not be heard.</td>
</tr>
<tr>
<td></td>
<td>o More board members help maintain institutional memory in times of leadership change.</td>
<td>o Bigger boards may not be able to engage all members, which can lead to apathy and loss of interest.</td>
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</table>


d) **Board Membership – Composition and Selection**

(1) **Composition: Overview and Options**

Board composition is related to board size, since the larger the size of the board, the more seats are available to allocate based on various characteristics of the community. The DDA and the Request for Qualifications stated that the governing body of the QPE shall have meaningful community-based representation with members recruited and selected through an open and fair public process. To deliver the maximum benefit to its community, the Shipyard Legacy Fund...
must act impartially. It must be viewed from the outset as making decisions fairly and without bias.

Considerations for board composition:
o To meet the principle of inclusivity that drives the SLF, the governing board should be representative of the community and ensure diversity along economic, racial, ethnic, geographic and other categories appropriate to the Bayview/Hunters Point/District 10 community.
o To meet the principles of effectiveness and efficiency, board members also need to possess skills, backgrounds, personal and professional relationships, and knowledge of program areas and the community that can help the SLF best serve the community.

(2) Selection: Overview and Options
In addition to board size and composition, another key decision is the process of selecting board members. There are a number of board member selection methods common how people become board members. There are several options, such as:
o Board members are elected
o Board members are appointed positions (by the Mayor, or another political leader)
o Board members are nominated and then the full CAC votes
o Ex-officio appointments

Appointments might be necessary to address special cases such as adequate youth or low-income representation.
e) Meetings
Board policies are guidelines for how members will work together to fulfill the mission of the organizations.

**Number of Meetings**
- This should be spelled out in the Bylaws. It is common for the board to meet more often in its first year than in subsequent years. An annual retreat is often a very important feature of board decision-making and organizational development.

f) Term Limits
The organization may want to consider limits on the number of terms that director can serve, in order to ensure opportunities for new participants.

g) Officers
**Compensation**
Board members may be compensated for the costs of travel and other expenses associated with their service. While it is not prohibited by law, our recommendation is that board members should not be paid for board service.

The organization might consider could provide the option for reimbursement for loss of income or childcare expenses or to offer an optional modest stipend in order to make board service feasible for low-income people.

h) Committees

(1) Steering Committee

It is common for the officers and committee chairs to form a steering committee or executive committee in order to make decisions that need to be taken up between board meetings or which require more time and attention than all board members can provide.

(2) Project Subcommittees

The board can create other committees as it may find necessary.

i) Policies Regarding Decision-Making, Conflict of Interest, etc.

The organization must operate in accordance with the relevant federal, state and local laws governing the open and financially responsible conduct of nonprofit organizations receiving public funds.

Our examination of open meeting laws suggests that the same provisions that pertain to nonprofit organizations receiving at least $250,000 annually from the City and County of San Francisco can and should pertain to the QPE.3 Our examination of the conflict of interest provisions governing nonprofit organizations that receive financial support from the City and County of San Francisco suggests that these provisions should be suitable for the QPE as well, and that if different or additional provisions pertain to state or federal funds that the City distributes (such as, for example, CDBG funds) those too should pertain to the QPE. No appointment will be made that would create a conflict of interest for a board member, given the contractual relationship which the QPE will have with the Redevelopment Agency and possibly with other bodies of local government.

Beyond the legal requirements, the structure should reflect the principles of transparency and inclusivity that are the hallmarks of local democracy. The Recommendations in this report address meeting notices, open meetings, conflict of interest and several other aspects of board policies that can ensure ready public access to the deliberations and records of the organization.

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3 Chapter 12 L of the SF Administrative Code.
j) Advisory Board
The organization can create advisory boards in whatever number, form and purpose it desires, as long as they do not interfere or substitute for responsibilities of the board of directors, which remains the final authority for the organization.

k) Fiscal Sponsorship Arrangements
The process of creating a nonprofit organization, including receipt of the appropriate tax status, will take several months or even a year or more, and it is often the case that funds need to received and administered before the incorporation and approval process is complete. In that case, a fiscal sponsor is required to receive and spend tax-deductible or contributions or government grants and contracts.

C. Operations

1. Internal versus External Programs
The QPE will have the option of carrying out its program priorities through the direct work of its staff, and through:
   o contracts
   o grants
   o partnerships
   o investment positions
   o creation of subsidiary organizations.

This is a common set of options for community development and neighborhood service organizations. The QPE should be formally constituted in a way that allows for all such types of arrangements. The specific decisions about the steps by which to fulfill each priority activity will be made principally by the Board of Directors and Executive Director.

2. Staffing
The initial board of directors should hire an Executive Director for the QPE. The Executive Director will lead the recruitment and selection process for other staff, under processes approved by the Board. Most of the decisions about the size and functions of the organization’s staff cannot be productively made at this time. They must await the formation of the board and hiring of the Executive Director, the determination of initial priorities for projects and organizational capacity, and the size and flexibility of the budget for the first several years. The Recommendations section describes the parameters by which it should be determined what is done directly by staff and what is carried out through grants, contracts or partnerships.

3. Use of Consultants, Contractors, and Partnerships
The QPE should adopt a policy that outlines its procedures for entering into contractual relationships, describing how the selection process would work. The policy will specify the
circumstances under which sole sourcing is appropriate and when competitive bidding is required, and the rules governing public access to information regarding contract information.

D. Finances

1. Start-up provisions for handling funds

a) Start-up

- Fiscal Agent. Because the process of obtaining federal tax exemption can take a number of months, standard practice in the nonprofit world is to establish a fiscal sponsorship arrangement with a nonprofit 501(c)(3) tax-exempt organization that would serve as its fiscal agent to receive and administer any funds contributed by foundations or others before the group has obtained its own 501(c)(3) tax-exemption. The fiscal agent should be an organization whose legal purpose encompasses the goals, mission, and activities of the new organization. A fiscal sponsorship agreement should be created that describes the terms and conditions of the relationship between the new group and the fiscal agent.

- Registration with Attorney General. A new California nonprofit needs to register with the California Attorney General within 30 days after receipt of assets (cash or other forms of property).

2. Budgeting Process

A nonprofit organization creates its annual budget based on the combination of funds and attendant responsibilities from all of its sources of support. This may include foundation grants, contracts with government agencies, contributions from individual donors, interest on investments, and other sources. Even when an organization is initially understood to have one source for its initial funding, it is important to establish an overall organizational annual budgeting process from the outset, incorporating all sources, as both a management tool and a necessity for fund raising.

3. Investing in Projects and Portfolio Management

Many community development organizations are able to create an endowment, a assets which are invested, with the interest potentially available on an annual basis but the principal kept unspent. The Supervisory Team, CAC, and community residents were provided a framework and examples of options for the financial objectives and management of nonprofit, community development endowments.4

An endowment controlled by a nonprofit organization is ultimately the responsibility of its board of directors. The board may establish a finance committee, and potentially an investment subcommittee. The board and staff may retain fund managers for various functions. Apart from an endowment, there may be other needs for the management and investment of short term funds and longer term investments. In all cases, a nonprofit must manage invested funds in accordance

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4 The presentations were by Joshua Simon of the Northern California Community Loan Fund
with all the laws and rules governing the use of the funds that are handed down from its original source, be that a government agency, a foundation, or other donor or investor.

4. Fundraising
Continual fund development is a necessity and responsibility for all but the most fortunate nonprofit community development organizations. There are many variations on how fund development can be effectively organized, but in most instances, even if consultants are employed, the participation of both the board and the staff is critical. Fundraising for capital projects has different features from efforts to raise general operating expenses, and both are distinct from generating grants and contracts for particular programs. All of these aspects of fund development may eventually be relevant for the QPE.
VII. ANALYSIS OF ORGANIZATIONAL MODELS FOR THE QPE

To inform the development of recommendations for the organizational and governance structure of the QPE, PolicyLink analyzed eight different organizational types based on their potential relevance to the QPE mandate, origins, and likely functions and activities. They include:

a. Community Based Developers
b. Community Land Trusts
c. Quasi-Public Community Development Institutions
d. Community-focused Foundations and Affiliated Funds
e. Operating Foundations
f. Community Development Financial Institutions (CDFIs)
g. Socially Responsible Investors
h. Implementors and Monitors of Community Benefits Agreements

Within these organizational types, we looked for existing organizations that have functional and structural characteristics that embody to some degree the principles that the QPE is to embody and the types of activities that the QPE is likely to carry out given the Roadmap decisions. These examples were selected from our accumulated knowledge of the community building field as well as interviews with experts in the field. These experts were selected based on their broad knowledge of the national scene as well as their specific understanding of particular organizational types (the list of persons interviewed can be found in Appendix A).

Each of the eight organizational types is described below, highlighting best practices, “model” organizations, and particularly relevant features for QPE design.

Figure 2. Organization Types with Relevance for the Formation of the QPE

<table>
<thead>
<tr>
<th>Organization Type</th>
<th>Description</th>
</tr>
</thead>
</table>
| Community-based Developers | o Community Development Corporations that develop residential and/or commercial real estate and incorporate meaningful community participation in governance, decision-making, implementation, and evaluation  
| | o May also conduct resident organizing, advocacy, and monitoring of redevelopment projects |
| Quasi-public Economic Development Corporations | o Private, nonprofit organizations generally organized by state and local governments  
| | o Goals are to attract and retain jobs within a particular geographic area |
| | o Activities including the provision of grants, loans, information and technical assistance, and the creation of industrial parks |
| Military Base Reuse Organizations | o State and local governments can establish Local Reuse Authorities (LRAs) to assume responsibility for the development and/or implementation of a base reuse plan in communities facing base closure  
| | o LRAs can include community organizations in addition to local government agencies and the military  
| | o Restoration Advisory Boards give residents and other community stakeholders a voice in base cleanup and conversion |
| Community-focused Foundations and Funds | o Make core operating and project support grants for activities including service delivery, policy advocacy, and public education  
| | o Many also provide technical assistance and capacity building services to their grantees |
A growing number administer separate, specific funds that make grants or investments in particular neighborhoods or for particular purposes

- Some include community participation in grantmaking decisions
- Private, nonprofit foundations that devote most of their resources to the active conduct of charitable activities, rather than grantmaking
- Activities engaged in include real estate development, community organizing, research and policy advocacy, and the provision of social services
- Not subject to the same requirements for income distribution or limits on donor contributions as other private foundations
- Decisions about foundation programming are made by a board of directors, staff, and sometimes community stakeholders

Some include community participation in grantmaking decisions

Operating Foundations

Socially Responsible Investors

Include a variety of organizations—such as lenders, fund managers, and philanthropic organizations—that aim for both social and economic returns on their investments

- Many help nonprofit organizations engage in for-profit business ventures that result in job creation and the revitalization of low-income and disinvested communities
- Financial intermediaries organized to foster the development of communities and their residents by providing access to credit to people and businesses that are underserved by traditional financial institutions
- Work within targeted, economically depressed communities
- Encompass a number of different types of entities, with varying purposes, structures of governance and ownership, regulation, types of borrowers, sources of capital, and financial products/services
- Examples include Community Development Loan Funds, Community Development Banks, Community Development Credit Unions, and Community Development Venture Capital Funds

- Community Benefits Agreements are often negotiated by broad coalitions that include a range of stakeholders including residents, faith institutions, labor leaders, and community organizations
- These coalitions may subsequently participate in the implementation and monitoring of the agreement
- Functions may include research, analysis, community organizing, advocacy, monitoring implementation progress, and training residents

Community Development Financial Institutions (CDFIs)

Implementers and Monitors of Community Benefits Agreements

A. Community Based Developers

Community-based developers take a participatory approach to the physical revitalization of distressed communities through housing and commercial real estate development. Physical development is always the primary function undertaken by community-based developers, but they may carry out secondary functions including but not limited to community organizing, community planning and assessment, policy advocacy, and monitoring of redevelopment projects. In addition to having organizational functions that are similar to those that the QPE will carry out, community-based developers have close working relationships with government agencies. Structurally, most community-based developers are established as community development corporations (CDCs), a particular type of nonprofit, tax-exempt entity. The governance and operations of community-based developers often incorporate practices of community representation and participation. Many CDCs have residents on the board. Given the principles guiding QPE design, our scan of the field for exemplary community-based developers focused on those that incorporate meaningful community participation.
1. Organizational Model: Dudley Street Neighborhood Initiative

The **Dudley Street Neighborhood Initiative** (DSNI) is a resident-led community-based organization located in the Roxbury/North Dorchester neighborhoods of Boston, covering a 1.5 square mile area with over 24,000 residents. It was formed in 1984 when residents and organizations in the Dudley Street area came together out of fear and anger to revive a neighborhood that was devastated by disinvestment, abandonment, redlining, arson and dumping, and to protect it from outside speculators. Dudley Street is one of the most renowned community-based developers in the country with programs in the areas of community building, economic development, housing, open space, and youth services. Gaining community control over vacant land within the neighborhood has been a critical aspect of its approach. DSNI remains the only community-based developer in the country that has been granted eminent domain authority over a portion of the vacant land within its boundaries. DSNI's major accomplishment has been organizing and empowering residents to create a shared vision of the neighborhood, prioritizing "development without displacement" and bringing it to reality through strategic partnerships with individuals and organizations in the private, government, and nonprofit sectors. Governance is exercised through a community-elected, community representative, resident-led Board of Directors.

2. Lessons for QPE Design

DSNI exhibits a number of methods for ensuring resident representation in governance:

- 16 slots on the 34-member board are to be filled by residents.
- These slots are evenly allocated amongst the four major ethnic groups (African-American, Latino, Cape Verdean, and White).
- The remainder of the slots go to: three youth, seven nonprofit agencies, two religious institutions, two businesses, and two community development corporations, plus two additional Board-appointed residents.
- It is a membership organization, with over 3,000 individual and organizational members.
- The board is elected by the members of the organization.
- DSNI convenes the Dudley Youth Council to engage 11 to 19-year-old residents in community development.

B. Community Land Trusts

A **community land trust** (CLT) is a nonprofit, community-based organization that owns real estate to provide benefits to the community, and particularly to provide secure, affordable access to housing for residents who cannot otherwise afford it. CLTs stabilize communities and preserve housing affordability in neighborhoods with strong, appreciating real estate markets. They do this by purchasing land within a designated geographic area with the intention of permanently owning that property, and then selling the homes that sit on the land to eligible homebuyers. In exchange for inexpensive homes, residents agree to resell their homes to the land trust or to another low- to moderate-income household if they move, taking only a minimal profit. A contractual agreement—the long-term ground lease agreement—is signed that describes the rights and responsibilities of the CLT and the building owner. This contract provides the occupant with affordable housing and a fair return on their investment should they decide to sell, while preserving the affordability of the property in perpetuity.
In addition to enabling housing affordability and greater control over local land use and development, CLTs have an organizational structure that is set up to be representative of the community. In the classic model, CLTs are membership organizations that consist of community members and are governed by a board of directors that comprises residents of CLT homes, other community members who live in the targeted area but are not CLT leaseholders, and local representatives from the government, philanthropy, and the nonprofit sectors.\(^5\)

CLTs are able to leverage public resources, commonly working in cooperation with government agencies. A number of states and municipalities have allocated funding, such as Community Development Block Grant and HOME funds, and land to CLTs. The community land trust model emerged in the United States over the last four decades, and there are currently approximately 160 CLTs of varying size operating in 38 states and the District of Columbia.

1. **Organizational Model: Dudley Neighbors Incorporated**

DSNI established a community land trust—**Dudley Neighbors Incorporated** (DNI)—to implement its plans to redevelop a 60 acre area in the neighborhood called the “Dudley Triangle” that contained many vacant and abandoned properties. To date, a total of 157 new homes (80 homeownership, 77 limited equity cooperative), two small community centers, a mini orchard and garden, a playground, and a community green house have been built on DNI land. Plans are underway to build a mixed use development with 50 affordable rental units plus commercial space, and another 10 ownership units. In addition, a 1.5-acre urban farm operated by a non-profit youth development program called The Food Project will be placed on the land trust.

DNI is governed by an independent, 11-member board of directors, including 6 members appointed by DSNI, and one appointee each by the Mayor of Boston, the Roxbury Neighborhood Council, the 7\(^{th}\) District City Councilor, the 2\(^{nd}\) Suffolk District State Senator, and the 5\(^{th}\) Suffolk House District State Representative. The latter two appointees are non-voting members. DNI’s staff includes an executive director and leaseholder liaison/administrative assistant.

2. **Lessons for QPE Design**

The learnings to glean from the CLT model and the DNI example include:

- DSNI’s establishment of a separate organization—Dudley Neighbors Incorporated—to conduct its land assembly and management activities illustrates how one neighborhood-serving entity may decide that spin-off organizations are necessary to implement its multifaceted vision.
- The “classic” CLT board structure provides another model for resident participation in governance, with 2/3 of board members residents and 1/3 of them a mix of institutional members.

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\(^5\) Rosalind Greenstein and Yesim Sungu-Eryilmaz, “Community Land Trusts: Leasing Land for Affordable Housing,” Land Lines, April 2005
DNI’s board structure deviates from the “classic” CLT model, but still retains community control because DSNI appoints the majority of the board members (6 of 11) and the two state representatives on the board are non-voting members.

C. Quasi-Public Community Development Institutions

Quasi-public community development institutions include a variety of organizations that are initially established by municipal governments but operate as independent, private, nonprofit organizations. These entities may perform any number of functions that are considered to be “public” in nature, ranging from health care to social services to community and economic development activities. Given the focus of the SLF, in looking at quasi-public institutions we concentrated on those that carry out community development/community building mandates. Through interviews with field experts, four different types of organizations seemed particularly relevant: (1) Economic and Local Development Corporations (EDCs/LDCs); (2) Military Base Reuse Authorities; (3) Empowerment Zones/Enterprise Communities; and (4) Housing Trust Funds. Each are briefly described below.

1. Economic and Local Development Corporations

Economic development corporations (EDCs) and local development corporations (LDCs) are quasi-public entities that seek to encourage local economic and community development. Economic development corporations focus on attracting and retaining job by leveraging financial and real estate resources to retain existing businesses in the community and lure new companies. In addition to leveraging resources, EDCs undertake a variety of activities including the provision of grants, loans, information and technical assistance, and the creation of industrial parks. EDCs are local or regionally-focused and have strong relationships with the public and private sectors. They can be classified as tax exempt if their activities accomplish charitable purposes—such as providing economic opportunities for the poor—through their provision of assistance to for-profit businesses. Local development corporations tend to have broader missions than EDCs, often focusing on the comprehensive physical revitalization of neighborhoods.

2. Military Base Reuse Authorities

When faced with a military base closure, state and local governments often establish Local Reuse Authorities (LRAs) which assume responsibility for developing the base reuse plan and/or implementing the base reuse plan. LRAs can include community organizations in addition to local government agencies and the military. Restoration Advisory Boards are Citizen’s Advisory Committees that give residents and other community stakeholders a voice in military base cleanup and conversion.

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6 “Brownfields 2001: Restoring the Environment, Revitalizing Communities”
7 www.arceecology.org
3. Empowerment Zones/Enterprise Communities

One of the most extensive recent efforts to create inclusive revitalization partnerships between government agencies and community groups was the federal **Empowerment Zones** (EZ) and **Enterprise Communities** (EC) program. Initiated in 1993, the EZ/EC program was designed by the Federal government to encourage comprehensive planning and investment aimed at the economic, physical, and social development of the neediest urban and rural areas in the United States. Between 1993 and 1997, 87 urban and 38 rural communities received some form of EZ/EC designation. Urban EZ sites received $100 million toward a 10-year revitalization plan (rural sites received $40 million), and EC sites each received $3 million for a three-to-five-year timeframe. The EZ/EC program was innovative because of its requirements for community engagement in the initial planning of the initiatives and the governance structure of the entity to be formed to implement the comprehensive community vision for neighborhood revitalization and allocate resources toward that plan. The strategic planning process for each site was supposed to involve broad participation from all segments of the community, particularly affected residents, in planning and implementation. The federal government issued guidelines for EZ/EC board structure, composition, and selection that were intended to ensure resident participation on the board of directors of these entities. Despite these requirements, the experiences of the sites differed greatly with respect to the degree to which they were democratically governed. Early assessments of the initiative found that developing the organizational structures needed to implement the EZ plans was a challenge. The process took longer than expected, and the mayors and city councils, government agencies, and community groups involved in the zone planning struggled over who would have the most control of the process.

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**Federal Guidelines for Board Composition and Selection in the Empowerment Zone/Enterprise Communities Effort**

While the specific board development processes are unique to each EZ/EC community—for example, the specific size of the governing board varies—federal guidelines for EZ/EC board composition and selection state that:

- Members can be elected and appointed
- At least 55% of members must be elected**
- The board must include at least one board member from each of designated community’s census tracts. These members must be elected and they must represent low-income residents.
- Nominations for board seats should also be obtained through a public process from residents and organizations operating within the designated community. Nominations should be included in the public notice of the election.
- Elections may be done by any locally acceptable process, but any election method must adhere to the following:
  - All community residents and organizations have equal and ample opportunity to participate in both the election and in serving as board members.
  - Ample (four weeks) public notice about the timing and purpose of the election. This could include newspaper and radio announcements, presentations to group meetings, fliers, and direct mailings.
  - Allocation of board seats is included in the Bylaws and reflects the number of census tracts, types of organizations, and economic and racial composition of the designated community.

**The 55% elected requirement was added as an amendment in response to program reviews of the first round of designated communities. This review process found that the existing board appointment process did not build boards that reflected the racial or economic diversity present in the community, and board decisions did not reflect either the principles of the EZ/EC program or the best interests of the low-income residents.**

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4. Housing Trust Funds

Housing trust funds (HTFs) are distinct funds established by cities, counties and states that dedicate sources of revenue to support affordable housing. They are usually created by legislation or ordinance. There are now 38 state housing trust funds and more than 350 city and county housing trust funds in operation. Total annual revenue collected by trust funds range from a high of $300+ million each year to less than $100,000 annually. Collectively, they dedicate over $750 million each and every year to help address critical housing needs throughout the country. HTFs provide dedicated, ongoing funding for the support of affordable housing and do not rely on interest or earnings from a fixed fund, or on contributions from corporations, financial institutions or foundations. They enable communities to carry out their plans for affordable housing through a variety of demand- and supply-side housing solutions.

Housing trust funds encompass a variety of organizational forms. Most typically, they are administered by a public agency, usually the department that deals with affordable housing programs such as HOME and CDBG. This agency assigns or hires staff to carry out the day-to-day operations of the housing trust fund. While not common, sometimes nonprofit entities administer housing trust funds. Another approach is the creation of an independent or quasi-public corporation for the express purpose of operating a trust fund.

Regardless of the administrating agency, most housing trust funds have an oversight board. The composition of the board is governed by the ordinance or legislation establishing the housing trust fund, and board members are appointed. Board members typically represent a broad range of housing interests within the community including nonprofit developers, service providers, housing advocates, private industries, unions, low-income citizens. The board is usually responsible for establishing trust fund policies; developing regulations for the operation of the fund; determining funding priorities; and monitoring and evaluation. Some oversight boards play an advisory role, while others have full power and authority to be decision-making bodies. It is not uncommon for the City Council or County Commissioners to have final say over the direction of the fund and the awards made, but the Boards bring both representation from the community as well as support from all segments involved in housing issues.

Some examples of housing trust fund boards include:

- The **Knoxville Affordable Housing Trust Fund** is administered by the East Tennessee Foundation. The Advisory Board has 11 members. Four members are appointed by the Mayor and subject to confirmation by City Council, three members are appointed by the Partnership for Neighborhood Improvement (a nonprofit community organization that administers the city’s Empowerment Zone effort), and four members are appointed by the city’s housing and redevelopment authority (Knoxville Community Development Corporation). These members serve three-year terms but cannot serve more than two consecutive terms.

- The **Santa Fe Housing Trust Fund** is administered by the Santa Fe Affordable Housing Roundtable, a public/private partnership comprised of the city and fourteen nonprofit housing

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9 “What are Housing Trust Funds?” Center for Community Change, retrieved from [http://www.communitychange.org/issues/housing/trustfundproject/](http://www.communitychange.org/issues/housing/trustfundproject/).
organizations that are recipients of the funds. The Roundtable is an unincorporated association that is governed by a Steering Committee comprised of officially designated representatives from the Roundtable member organizations. Roundtable meetings are generally held monthly and decisions are mainly made by consensus. In the event that this is not possible they may be made by a 2/3 vote when there is a quorum of voting members.

5. Organizational Model: Empower Baltimore Management Corporation

Baltimore’s EZ effort is generally recognized as one of the most successful local sites. One reason for this recognition is the site’s focus on building the community organization infrastructure. While most EZ sites have viewed nonprofit organizations primarily as service providers rather than as strategic investments to build long-term community capacity, a few sites sought to build community-based nonprofit capacity and infrastructure as a sustainability strategy. Baltimore’s initiative had an explicit strategy to strengthen existing community development organizations and create new ones.

The EZ effort was managed and implemented by a new nonprofit 501(c)(3) organization, Empower Baltimore Management Corporation (EBMC), created by the City of Baltimore. EBMC’s strategy was primarily to contract with outside agencies to link the EZ effort with larger city initiatives. EBMC established six Village Centers to provide an organizational base for managing a broad range of zone initiatives, develop a broader vision within their neighborhoods, and sustain them over time. EBMC is responsible for the planning, promotion, contracting, oversight, and reporting for these programs and also directly provides business development and customized workforce services. The management corporation, a local observer explains, “is remarkably autonomous, despite the mayor controlling a significant portion of the board positions and its executive director having been a mayoral appointee.”10 Ten years after the EZ designation and full expenditure of the federal funding, EBMC continues to serve the community through strategic grantmaking focused on human capital development, asset building and community revitalization.

EBMC is directed by a Board of Directors that set policy and strategies, and by an Advisory Council that provides recommendations to the Board.

- **Board of Directors.** The board is comprised of 30 members, including village center representatives. 19 seats are mayoral appointments. The board is responsible for approving and overseeing contracts and it has developed its own procurement procedures.

- **Advisory Council.** The advisory council consists of 50 members. Half of the council members are recommended by the board; the other half are recommended by the village centers. As a result of the input from the advisory council, a third of the 19 board members appointed by the mayor must be residents of the empowerment zone.

6. Lessons for QPE Design

Quasi-public community development institutions provide a number of best practices and lessons for the QPE:

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10 Berger, op. cit.
EBMC showcases how a quasi-public entity can structure its operations in a way that builds the capacity of existing businesses and organizations in the community. One way in which the organization exerts influence is through the oversight of contracts and its procurement policies.

EBMC also demonstrates the utility of advisory councils in achieving the goal of representative governance.

The EZ/EC experience indicates that elections may help ensure a board that is representative of the ethnic diversity of the community and serves the interests of low-income residents.

D. Community-focused Foundations and Affiliated Funds

A number of grantmaking foundations focus on a specific geographic community, are located in the community in which they are investing, and orient their grantmaking toward a range of community building areas. This set of organizations includes community foundations—tax-exempt, nonprofit, autonomous, publicly supported, philanthropic institutions composed of permanent funds established by many separate donors that all seek to fund activities that improve a specific community and its residents—as well as private or family foundations with local/regional grantmaking components. Although the Shipyard Legacy Fund will not provide donor services in the same manner as a community foundation would, the orientation of community foundations toward specific geographic communities is particularly relevant to the QPE design.

Community-focused foundations have evolved a number of organizational structures that increase the inclusiveness of their governance and operations through efforts to increase community representation and participation, including community advisory committees, youth advisory councils, and resident-directed affiliated funds.

1. Community Advisory Committees

Many community-focused grantmakers use standing or ad hoc community advisory committees to ensure that the foundation is in touch with the community's needs and incorporates the community's perspective in foundation operations and programming. These committees are typically comprised of residents from the foundation's service area. They may function as a permanent board member nominating committee, to ensure community representation on the foundation's board of directors. Or they may provide input on foundation operations, initiatives, or future programming. They may be permanent or temporary. Foundations have used permanent advisory committees to incorporate diverse viewpoints, to access expertise in particular fields of interest, to improve their understanding and coverage of their service areas, and to extend the reach of their governing boards and staff. Temporary groups such as ad hoc advisory committees, working groups, or task forces, are often convened to undertake targeted or more specific assignments. Once a community advisory committee is formed, the foundation must provide it with adequate support with respect to staffing and resources. The community advisory committee should have sufficient resources to conduct its meetings, outreach, research and review activities if it is to effectively fulfill its functions, serve the governing board and be a
guardian of the public interest in the foundation. The Vancouver Foundation provides an example of a community foundation that relies heavily on advisory committees in its governance and granting activities. The foundation is advised by eight program-specific committees comprised of up to 20 individuals who are active in the field in which the Foundation is making grants.

2. Youth Advisory Councils
Youth are a segment of the community that are typically not engaged in neighborhood decision-making structures. A number of foundations have sought to incorporate them more fully through youth advisory councils. In Michigan, the Kellogg Foundation supported an effort, the Michigan Community Foundations’ Youth Project, to involve young people in philanthropy, helping to set up 86 Youth Advisory Councils in Michigan’s community foundations. These advisory councils made decisions on how to allocate youth-focused funds and consisted of at least 50% youth members. Nearly 6,000 young people have participated.

3. Resident-directed Affiliated Funds
A number of community-focused grantmakers have taken the notion of a permanent Citizen’s Advisory Committee for its grantmaking decision-making one step further by creating separate, affiliated funds that devote foundation resources for a specific purpose and are governed by community boards. The Cleveland Foundation’s Neighborhood Connections Fund, described below, is a national model for such a fund.

4. Organizational Model: Neighborhood Connections Fund of the Cleveland Foundation
The Neighborhood Connections affiliated fund of the Cleveland Foundation, the nation’s first community foundation, provides an example of how community-focused grantmakers can meaningfully engage residents in grantmaking. Begun in 2002, the goal of Neighborhood Connections is to provide small grants (ranging from $500 to $5,000) to neighborhood-based groups working in the city of Cleveland. The program funds projects that focus on improving the quality of life in Cleveland neighborhoods. In addition to generally improving neighborhoods, grants also assist neighborhood groups with building or strengthening relationships to other neighborhood groups and to larger, more-established community-based organizations. Grants are available to any group of residents in the City of Cleveland. Groups do not need to be recognized as 501(c)(3) to receive a grant. The Foundation allocated $1.5 million to the Neighborhood Connections Fund in its first year. In the latest and ninth (February 2007) round of funding, the committee had $325,000 to distribute. There are two rounds of grants each year, with deadlines in February and August. The program has supported over 330 successful projects. In its last round of funding, The Grantmaking Committee selected 87 projects for funding in 24 Cleveland neighborhoods.

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12 Information can be found on the Vancouver Foundation website http://www.vancouverfoundation.bc.ca/AboutVancouverFoundation/board.shtml#ADVISORY%20COMMITTEES
To ensure that grants are made from a neighborhood perspective, the foundation established a Grant Making and Monitoring Committee composed of 18 Cleveland residents. This group reviews all grant applications and makes final decisions as to which grants are funded and at what level. Each original committee member was nominated by a neighborhood organization, and the committee was designed to be broadly representative of Cleveland. Committee members serve for three-year terms. Each year, Neighborhood Connections selects a slate of alternates to the Grantmaking Committee who join the committee as other members complete their terms. These alternates are first nominated by neighborhood groups, and then must apply. All those who apply are interviewed by current members of the Committee and the strongest candidates are selected.

5. Lessons for QPE Design
Community focused-grantmaking foundations demonstrate structures for engagement in governance and operations that are relevant for the QPE:

- Resident-directed affiliated funds can engage community residents in fund allocation and decision-making. The Shipyard Legacy Fund could establish this type of fund to broaden resident participation in its activities. The Cleveland Foundation fund provides a model structure of governance.
- Community advisory committees may be helpful to the SLF in bringing in resident participation or, as with the Vancouver Foundation, specific programmatic knowledge.
- Youth advisory councils can provide opportunities to engage youth in decision-making and could provide constructive out-of-school time activities for Bayview youth, contributing to youth development goals.

E. Operating Foundations
Operating foundations are private, nonprofit foundations that devote most of their resources not to grantmaking but to the conduct of charitable activities such as real estate development, community organizing, research and policy advocacy, or the provision of social services. The specific rules for qualification as an operating foundation are complicated. Operating foundations usually obtain their operating funds from an endowment created by the original donor, but some lack endowments and receive their operating funds through annual contributions from one donor or a small number of donors. To qualify as an operating foundation, the foundation must spend substantially all (85%) of its net investment income directly for the active conduct of its own exempt activities (as opposed to making grants). Operating foundations are not subject to the same requirements for distributing income as other private foundations, and donors may contribute a greater proportion of their income (up to 50%) to operating foundations than to other private foundations.

1. Organizational Model: Jacobs Center for Neighborhood Innovation

The Jacobs Center for Neighborhood Innovation is the operating arm of the Jacobs Family Foundation, which has made extensive investments in an area of Southeast San Diego to promote resident ownership of neighborhood change. The flagship development of this investment is a commercial and cultural center, Market Creek Plaza, which will soon expand to include a mix of housing types in a transit oriented development. The operating foundation structure has enabled JCNI to develop a staff experienced in property development and business management as well as community organizing, to make grants to local nonprofits as well as investments in real property, and to engage residents in every step of the development process.

2. Lessons for QPE Design

It is unlikely that the QPE would be an operating foundation, since it will be publicly funded at its outset and able to qualify as a 501(c)(3) nonprofit organization at its outset—a more favorable tax status for both fundraising and reporting purposes. However, the Jacobs Center model of resident engagement in governance and operations provides some important lessons for the QPE:

F. Community Development Financial Institutions (CDFIs)

CDFIs are financial intermediaries organized to foster the development of communities and their residents by providing access to credit to people and businesses that are underserved by traditional financial institutions. They are driven by the primary mission of community development within targeted economically depressed communities. CDFI functions include generating new business and developing new real estate projects. CDFIs are often regionally-focused and include individual and community asset-building strategies.

Funding sources include federal and philanthropic sources, and borrowers consist of low-income individuals, entrepreneurs, and nonprofit organizations. Mainstream financial institutions invest directly in CDFIs, receiving Community Reinvestment Act (CRA) credit and potential cash rewards under the CDFI Fund’s Bank Enterprise Award Program. There are four primary types of CDFIs, which vary greatly in terms of their community building purpose, start-up and capitalization requirements, and governance and regulation: Community Development Banks; Community Development Loan Funds; Community Development Venture Capital Funds; and Community Development Credit Unions.

Of these four types of CDFIs, Community Development Loan Funds are the most likely to be relevant to the QPE. Community Development Loan Funds pull together capital from individual and institutional social investors at below-market rates and re-lend this money in low-income communities, primarily to small businesses, affordable housing developers, and community services providers such as childcare. CDLFs are best suited to providing short-term to medium-term financing with more risk than conventional lenders but at a moderate level. Potential CDLF lending roles include: predevelopment financing for real estate projects, construction and bridge financing for affordable housing and commercial real estate projects; working capital and

14 Coalition of Community Development Financial Institutions, www.cdfi.org
15 Ibid.
equipment financing for small businesses or nonprofits. Loan funds are established as nonprofit organizations, and are self-regulated. This provides them with great flexibility with respect to lending policies. They are based on the notions of community control and responsiveness.

1. Organizational Model: The Reinvestment Fund

The Reinvestment Fund, Inc. (TRF), based in Philadelphia, is one of the most innovative and broad-ranging loan funds in the country. TRF’s goal is to build wealth and opportunity for low-wealth communities and low- and moderate-income individuals through the promotion of socially and environmentally responsible development. The organization meets this goal through three primary activities: community development financing; research and policy analysis; and partnership development. As a CDFI, TRF has pooled investments from individuals, banks, institutions, and the state and federal government to provide financing for a variety of customers and products including housing, community facilities, small businesses, energy conservation businesses, and private equity.

2. Lessons for QPE Design

Given the outcome of the Roadmap process, it is not likely that the QPE will be a community development financial intermediary, at least at the outset. It is possible that, over time, and with additional funding, the QPE could create an entity that is focused on financing community development activities, but this did not surface as the priority need at this time. The board structures of CDFIs, with the exception of credit unions, which are membership organizations, do not tend to stress inclusivity and resident participation.

G. Socially-Responsible Investors

Socially responsible investors include a variety of organizations—such as lenders, fund managers, and philanthropic organizations—that aim for both social and economic returns on their investments. Many socially responsible investors help nonprofit organizations engage in for-profit business ventures that result in job creation and the revitalization of low-income and disinvested communities. They often invest in existing local businesses rather than local development projects, real estate ventures, or emerging businesses. The broad movement for socially responsible investment encompasses concepts such as venture philanthropy, social investment and social enterprise. Important elements include the emphasis on strong business models and social outcomes.

1. Organizational Model: Pacific Community Ventures (PCV)

Pacific Community Ventures (PCV) is a nonprofit investment organization that provides resources and capital to businesses that have the potential to bring significant economic gains to low/moderate income communities in California. PCV is a socially responsible investor that operates according to a “double bottom line” investment strategy, targeting businesses that have the potential to provide market rates of return in addition to providing social return on investment that comes from providing good jobs with marketable skills to residents of low-
income communities. The companies in PCV’s portfolio companies help to stimulate their local economies through their own growth, by employing residents of low-income communities and by adding economic vitality to neighborhoods that have lacked significant business activity.

PCV was initially capitalized with philanthropic dollars from some of the Bay Area’s leading venture capitalists and business executives. Today, PCV’s funding is a mix of earned income through its affiliated for-profit community development venture capital funds, and from foundation grants, government contracts, and individual donations.

2. Lessons for QPE Design
Socially responsible investors are perhaps more interesting models for QPE at a programmatic level than at an organizational level. One of the strategic priorities of the Shipyard Legacy Fund that came out of the Roadmap process is to undertake a Signature Economic Development Project that produces double bottom-line returns. When the QPE is ready to take on this activity, it might be instructive to look at some of the financing models and standards for selecting investments used by socially responsible investors such as PCV and others.

H. Implementers and Monitors of Community Benefits Agreements
Community benefits agreements (CBAs) help ensure that new developments, especially those receiving taxpayer subsidies or major land-use approvals, offer tangible improvements to communities, including good jobs, affordable housing and vital neighborhood services. They were pioneered by a Los Angeles community-labor alliance led by Strategic Action for a Just Economy and Los Angeles Alliance for a New Economy and since then, the inclusive/accountable development strategy has spread to other communities across the country. A range of stakeholders—workers, residents, religious leaders, labor leaders, and community organizations—often forge broad coalitions that advocate for fair and responsible economic development. Functions of these coalitions include research, analysis, community organizing, advocacy, implementation of the agreement, monitoring the activities of the redevelopment agency, and training residents. Across the country, successful CBA coalitions have moved from advocacy into implementation, providing lessons for the Shipyard Legacy Fund.

1. Organizational Model: Figueroa Corridor Coalition for Economic Justice
The Figueroa Corridor Coalition for Economic Justice (FCCEJ) was formed in 2001 to negotiate the community benefits agreement around the construction of the Staples Center Sports Complex in downtown Los Angeles. The site of the Staples Center is surrounded by poor and working class neighborhoods inhabited by 200,000 residents who have historically been left out of all development decisions along the corridor. In 1999, the city and private developers announced plans to create a regional sports and entertainment district along the corridor as part of an urban revitalization effort. The development project would be catalyzed by a large subsidy provided by the City of Los Angeles. Recognizing the need to guard against speculation and potential displacement and to ensure that residents benefited from the influx of investment brought by the new complex, residents organized themselves and formed the FCCEJ. Two
organizations—Strategic Action for a Just Economy (SAJE) and the Los Angeles Alliance for a New Economy (LAANE) played central roles in the coalition's efforts. Twenty-five diverse organizations and thousands of residents came together to successfully ensure that the billions of dollars being spent on revitalization resulted in tangible benefits for the surrounding community.

In May, 2001, the Coalition won an historic Community Benefits Agreement, requiring the inclusion of affordable housing, living wage jobs, local hiring, parks and more in the $1 billion, four million square foot Los Angeles Sports and Entertainment District project.

Key features of the Community Benefits Agreement included:
- Living Wage Jobs: 70% of new jobs will be unionized and/or pay a living wage.
- Local Hiring/Job-Training: 50% of new jobs will be hired locally through a community-run job training and placement center funded with $100,000 in seed money from the developer.
- Affordable Housing: A minimum of 20% of housing units must be affordable to low-income people.
- Parks and Recreation: The developer will provide $1 million for parks and recreation facilities within a one-mile radius.
- Environmental Planning: An ongoing Coalition Advisory Committee will address such issues as construction, traffic, pedestrian safety, waste management, air quality and “green” buildings.
- Parking: The developer will help establish preferential parking and pay resident parking costs for five years.

Although construction is not expected to be completed until 2008, implementation of the agreement is already underway.

2. Lessons for QPE Design

Our interviews with those involved with the implementation of the Staples Center CBA surfaced a number of lessons for the QPE design:
- As much time and money should go into implementation as initial negotiations.
- It is important to have a strategy for ensuring the representativeness of the governing body.
- Have regular meetings to monitor progress on the agreement. For the Staples Center agreement, committee members meet about every six weeks.
- Use meeting reports strategically to keep people and agencies accountable and hold them to their agreements.
- Cooperation agreements can be useful in delineating roles and responsibilities.
- At least one full-time staff person is needed in the first year of implementation.
- It is important to ensure the process is not co-opted by government agencies.
VIII. RECOMMENDATIONS FOR QUASI-PUBLIC ENTITY FORMATION AND STRUCTURE

These recommendations are intended to reflect the underlying principles of inclusivity, effectiveness, and efficiency/fiscal responsibility that have been articulated by the community, the CAC, and the SFRA as well as evidence from our research into the governance structures of other organizations with similar purposes and functions to those of the QPE. In September, 2006, the CAC agreed to our plans to research and present recommendations according to the four key components of QPE structure—legal and tax status, governance, operations, and finances. These recommendations follow those categories.

A. Legal Structure, Tax Status and Start-up Issues

1. Legal Structure.

The QPE should be a Nonprofit Public Benefit Corporation organized primarily for public and charitable purposes with plans to obtain state and federal tax exempt status. Articles of Incorporation should be filed with the Secretary of State of California. Also, once established, the QPE may choose to create and control one or more additional for-profit and/or nonprofit corporations to carry out elements of its mission. At least three issues should be discussed further:

a) Original incorporators.

A new nonprofit needs a group of individuals to serve as incorporators, in essence, its formal creators. The Director of the San Francisco Redevelopment Agency, a representative from the Mayor’s Office, the District 10 Supervisor, one well-respected resident of the BVHP neighborhood selected by the CAC, and 3 members of the Citizens Advisory Committee should serve as the original incorporators of the QPE, filing and signing the Articles of Incorporation.

b) Possible membership organization at a later time

The research and deliberations of the CAC highlighted the fact that several of the community-based development efforts in other cities encompassed more than one organization, with some components having formal resident membership criteria while others did not. At the start, the QPE should not be a membership-based organization. However, a complementary group may be established at the appropriate time if, as in the other examples, it would serve a distinct purpose in addition to increasing opportunities for resident participation and decision making.

c) Start-up period.

The 7 original incorporators (whose composition is described in Section 1.a.i, above) would serve as the board to conduct the business of the corporation and would be responsible for overseeing the process of selecting an initial board of directors for the QPE in accordance with
the board selection procedures adopted by the CAC (on which more is written below). They would also set up the first meeting of the initial board of the QPE and work with the new board to prepare and adopt the Bylaws for the QPE, which set out the internal operations of the corporation. (A copy of the Bylaws must be submitted when filing for federal and state tax exemption.)

d) Tax Status.
The QPE should apply for federal tax exemption as a 501(c)(3) public charity and state tax exemption under Section 23701d of the Revenue and Taxation Code. The QPE is being formed for charitable purposes and will receive all of its initial funding from a government source and, therefore, should qualify as a 501(c)(3) public charity. This status will allow for additional tax-exempt funds to be provided by other sources, including foundations. The incorporators would arrange for an appropriate nonprofit fiscal agent if the QPE is in receipt of funds before its nonprofit status is finalized with the IRS and the State of California.

B. Governance

1. Type of Board
The governing board of the QPE should be what is generally known as a “policy board,” that is, one that sets organizational policies and program priorities, approves the budget, and selects an Executive Director of the QPE. The Executive director will report to the board of directors, and all other staff will be under the supervision of the Executive Director.

2. Board Size
The QPE board should be medium-sized, with 17 voting members.

3. Board Member Selection
The original incorporators will manage the process by which the initial board of directors is seated. A written description of the duties and responsibilities of board membership will be prepared and made public prior to the appointment process. All nominees for the board of directors, for both the 10 organizational representative and the 7 additional members they select, will be asked to submit written statements that confirm their willingness to serve and describe their qualifications and interests, to be presented at a public meeting held by the incorporators and a subsequent meeting convened by the 10 people appointed to the initial board. Selection of the initial board of the QPE would be as follows:

a) Initial Appointments
10 members would be appointed by the following groups:
- CAC – 1 member
- BVHP Redevelopment Project Area Committee – 1 member
- San Francisco Redevelopment Commission – 1 member
- Mayor’s Office of Community Development – 1 member
- District 10 Supervisor – 1 member
- Organization representing BVHP small business community – 1 member
- Organization representing BVHP faith community – 1 member
- 6 BVHP public housing tenants’ organizations – 3 members, with no more than one from a single organization

Appointees of the three government entities (Redevelopment Commission, Mayor’s Office of Community Development, and Supervisor) can be the principal of the agency, a staff member, a commission member, or another designee. Preference will be given to residents of the BVHP area. Board members who are appointees of organizations will be expected to report regularly to those organizations about the business of the QPE and bring relevant information and perspectives from those organizations to the Board.

An individual’s position on the board of directors would terminate in no later than 90 days if they left the relevant staff position or otherwise lost their direct connection to work, residency or other activity in BVHP.

No appointment will be made that would create a conflict of interest for a board member, given the contractual relationship which the QPE will have with the Redevelopment Agency and possibly with other bodies of local government.

b) Completing the Board Membership
The 7 remaining members would be selected by the 10 appointed members through a process they agree upon, possibly nominations and appointments, with at least the following provision for public access and engagement: all nominees for the board of directors will be asked to submit written statements that confirm their willingness to serve and describe their qualifications and interests.

The remaining members of the board should be chosen in a manner and with the result that would round out the diversity of the overall board as described below.

4. Terms of Board Members.
The terms of the initial board members shall be determined by lots with board members drawing terms of 1, 2 or 3 years. This will establish staggered terms so that annual selection of the Board shall include the seats of 1/3 of the members. If the CAC desires that selection of new Board members occur every two years, then the drawing process can occur at the end of the first year of service of the initial board and the drawing of terms of one or two years. A limit of two terms should be set.
5. **Board composition**

The board membership should be representative of the **diversity of the community**, and should strive through appointments and/or outreach and procedures for selection that ensure the following criteria:

1. The majority of members reside in the BVHP area.
2. Board members represent the needs all residents with particular attention to the needs of low-income populations.
3. Members represent the interests of different neighborhoods within BVHP area.
4. There is participation by each of the major racial/ethnic groups present in the community (African American, Latino, Asian/Pacific Islander, and Caucasian).
5. There is participation by BVHP youth (If youth will sit on the board, there should be 2 youth participants to provide support for each other).
6. There is participation by BVHP seniors.
7. Members bring in technical expertise relevant to project activities including: economic development, housing, real estate, community building/organizing, environmental justice, education, income and asset-building and other subject areas determined by the CAC or the original incorporators.

6. **Board Officers and Committees**

The Bylaws of the board should establish **officers** and **standing committees**, as well as temporary committees **if and when they are needed**. The officers shall constitute an Executive Committee, which may be vested by the Bylaws with certain specific, limited authority to act on behalf of the full board. Committee assignments should be made by the Chair or President of the board in consultation with the executive committee. Every effort should be made to distribute committee assignments across the board membership and involve all board members in committee activities.

7. **Board Procedures and Policies**

As described above, one of the first tasks of the initial board of directors will be to draft Bylaws that outline specific procedures and policies for the board. These Bylaws should include the following components:

   a) **Meeting Notice**

   Notice of every full board meeting shall include an agenda for the meeting. Notice of meetings should be provided to a roster of organizations in the community. A plan with details of the scope of notice procedures for each of the possible types of meetings (regular full board, emergency full board, executive committee, standing committees, etc) should be established and approved by the board within the first three months of regular operations.
b) Open Meetings
All meetings of the Board of Directors shall be open to any person except when the Board has voted, during an open meeting, to go into executive session. Valid reasons for executive session should be described in the Bylaws. The approved minutes of each board meeting shall be available to the public. The same provisions that pertain to nonprofit organizations receiving at least $250,000 annually from the City and County of San Francisco can and should pertain to the QPE.16

c) Quorum
At any meeting of the Board, a quorum shall consist of a majority of the Board of Directors.

d) Suspension or Removal
A director shall be automatically removed in the event of failure to attend three consecutive meetings without a reasonable excuse. The Directors should determine what constitutes a reasonable excuse. If a member misses a majority of board meetings over a 12-month period, with or without having been excused, he or she shall be formally queried by the board chair as to their interest in continuing to serve. Drafters of the Bylaws should consider whether to include specific provisions and procedures governing the removal of board members by the board.

e) Replacement of Appointed Members
Agencies, public officials or organizations with the opportunity and duty to appoint members of the board shall be strongly urged to make these appointments expeditiously and to communicate with their appointees about the work of the QPE. If an appointment is vacant for a full year, an item to amend the Bylaws to remove that appointing responsibility will be automatically placed on the board’s agenda for consideration.

f) Decision-making
Decisions shall be made by a majority of the Directors present and voting, unless stated otherwise in the Bylaws of the corporation.

g) Conflict of Interest
The QPE needs to adopt a conflict of interest policy that will protect its interests as a tax-exempt organization when contemplating entering into a transaction or arrangement that might benefit the private interest of one of its officers or directors. The policy would define a conflict of interest, outline procedures for determining whether a conflict of interest exists, require regular disclosure of information related to conflicts of interest, and specify procedures for handling potential or actual conflicts of interest when they arise. According to the Internal Revenue Service, “A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

16 Chapter 12 L of the SF Administrative Code.
- An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
- A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
- A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.\(^{17}\)

The conflict of interest procedure should **specify the circumstances** under which a **board member would have to recuse themselves** from the board’s consideration or voting on an item, and those under which an organization would be ineligible for receiving a contract, grant or other compensation from the QPE.

The conflict of interest provisions governing nonprofit organizations that receive financial support from the City and County of San Francisco should be applicable to the QPE as well, and if different or additional provisions pertain to state or federal funds that the City at some point distributes to the QPE (such as, for example, CDBG funds) those too should pertain to the QPE.

8. **Advisory Board(s)**

Advisory boards provide a way of obtaining additional counsel from constituencies that the QPE seeks to benefit and engage on general or particular organizational activities. For example, the QPE may choose to establish a Youth Advisory Board that would appoint youth members to the QPE board of directors and engage community youth in SLF activities. The QPE should establish advisory boards as needed to broaden participation and areas of expertise.

9. **Relationship to San Francisco Redevelopment Agency.**

The QPE shall be governed by an independent board of directors. The SFRA should have one seat on the board of directors, as described above. The SFRA should approve the portion of the QPE annual budget that pertains to the expenditure of the principal funds that the agency has transferred to the QPE. A contract between the SFRA and the QPE will define and govern the expenditure of those funds in accordance with the relevant public laws. The SFRA should not have the authority to change the policy decisions of the QPE unless activities are legally impermissible.

a) **Benchmarks for Increasing QPE Autonomy**

The QPE will, over time, develop considerable management and programmatic capacity, and this should be reflected in a higher level of autonomy in the governance of its affairs. The QPE and SFRA should work to establish benchmarks to reflect such capacities as they are built. The attainment of those benchmarks should result in greater autonomy. As a possible example, the annual budget review and approval cycle could be changed to a two year, and then a three year budget approval cycle.

\(^{17}\) [http://www.irs.gov/instructions/i1023/ar03.html](http://www.irs.gov/instructions/i1023/ar03.html)
C. Operations

The board and executive director of the QPE will build up its capacity to carry out its mission through a staff of its own and through a variety of arrangements with existing organizations, with a preference toward use of groups based in Bayview-Hunters Point wherever feasible. Based on the founding documents and the priorities determined through the creation of the Roadmap, the possible functions of the QPE include program design and development, community assessment and planning, grant-making to nonprofit organizations, investment of capital in business and real estate, and contracting with nonprofit organizations or for-profit firms for services.

It would be premature to specify the size or nature of the staff of the organization or the balance between functions undertaken by this staff and those carried out by other organizations or consultants. Such decisions can be made as the operating budget and initial activities of the QPE are clearer. Following are the guidelines we recommend at this stage for the allocation of operating responsibilities.

1. Internal Versus External Programs

i. The QPE will have the option of carrying out its program priorities through the direct work of its staff, and through at least five other arrangements:
   o Contracts with firms or nonprofit organizations for services or programs
   o Grants to nonprofit organizations to carry out certain activities that advance the objectives of the QPE
   o Partnerships with other organizations to jointly accomplish tasks consistent with the mission and scope of work
   o Investment positions in economic entities that meet the criteria established by the organization
   o Creation of subsidiary organizations to carry out aspects of the mission.

The QPE will be formally constituted in a way that allows for all such types of arrangements. The specific decisions about the steps by which to fulfill each priority activity will be made principally by the Board of Directors and Executive Director.

ii. Use of BVHP Resources. In determining whether a particular program or service of the QPE should be carried out internally or externally, the QPE shall determine if an existing BVHP organization has the capacity to carry out the program or if there is a BVHP organization whose capacity could be readily built. If such an organization exists, then the QPE shall engage the qualified BVHP organization in carrying out the program or service rather than carry out that program internally. The QPE may, however, designate certain programs as core to its mission and, therefore operate them internally even though an existing BVHP organization has the capacity.
2. Staffing.
The initial board of directors should hire an **Executive Director** for the QPE. The Executive Director will lead the recruitment and selection process for other staff, under processes approved by the Board.

   i. The QPE should adopt a policy that outlines its procedures for entering into contractual relationships, describing how the selection process would work. The policy will specify the circumstances under which sole sourcing is appropriate and when competitive bidding is required, and the rules governing public access to information regarding contract information.
   ii. In developing its policies and procedures for consultants, contract purchasing and similar activities, the QPE shall establish a first source policy which shall give preference to BVHP businesses and residents.

**D. Budgeting and Finances**
The proceeds from the sale of land in Phase 1 of the Shipyard development are intended to be the initial major source of funding for the operations, programs and investments of the QPE. By current estimate of the SFRA, those funds will become available in 2009 (approximately $2 million) and in 2010 (approximately $16 million). These estimates may change based on market conditions and other factors, as they have during the course of this consultancy. Regardless of the exact timetable or total amount, however, there are several basic steps that should be taken by the new organization in order to manage its funds effectively and efficiently, and in order to be in a position to attract funding from other philanthropic or government sources.

1. Start-up
   a) Fiscal Agent.
   Because the process of obtaining federal tax exemption can take a number of months, the QPE should establish a fiscal sponsorship arrangement with a nonprofit 501(c)(3) tax-exempt organization that would serve as its fiscal agent to receive and administer any funds contributed to the QPE by foundations or others who are interested in making charitable contributions to the QPE before it has obtained its own 501(c)(3) tax-exemption. The fiscal agent should be an organization whose legal purpose encompasses the goals, mission, and activities of the SLF. A fiscal sponsorship agreement should be created that describes the terms and conditions of the relationship between the QPE and the fiscal agent and is signed by appropriate leaders from each organization.

   All estimates of the date at which the land sale proceeds will be available are subject to change, but the current official SFRA estimate calls for the first payment in late 2009. We estimate that all the necessary incorporation steps would be resolved before then, so that the QPE could be the recipient of those funds, negotiate a contract with the SFRA, and take the other steps to be fully
operational by that time. However, it is quite possible that other sources of funds will be
potentially available much earlier than that. If government or philanthropic funds were
potentially available before then, arrangements should be made to obtain a nonprofit fiscal
sponsor. There are a number of viable sponsorship options in San Francisco that could be
examined.

b) Registration with Attorney General.
The QPE needs to register with the California Attorney General within 30 days after receipt of
assets (cash or other forms of property).

c) Other activities, supported from other sources, prior to receiving land sale
proceeds funding.
Given the period of time expected between the initial formation of the QPE structure and the
availability of the first land sale proceeds – as much as two years – there may well be community
planning processes and development projects consistent with the entity’s goals which the QPE
can and should undertake in the interim. The original incorporators and then the board of
directors should explore these possibilities carefully. At least two activities consistent with the
mission of the QPE were raised in Supervisory Team meetings during the period in which these
recommendations were being developed.18

d) Budgeting process
Even though the QPE is initially understood to have the land sale proceeds as its largest source
of funding, it will be important to establish an overall organizational budgeting process from the
outset, as both a management tool and a necessity for fund development.

The DDA calls for the Redevelopment Agency to approve the annual budget for the use of the
land sale proceeds by the QPE. In advance of receiving the first land sale funds, the QPE should
create an annual budget cycle which allows for information about forthcoming revenues, the
formation of priorities, the creation of a draft budget for the land sale proceeds in the context of
the overall organizational budget, and sufficient interaction with SFRA so that the budget can be
approved in a timely manner and then incorporated into a contract with the Agency, without an
interruption of services.

2. Long term sustainability.
The QPE will be structured to maximize its opportunities to receive additional sources of
operating funds and investment capital, from government, philanthropic, or private sector
sources, and to leverage its existing sources to accomplish greater community benefits. These

18 For examples of short-term activities, reference was made by Supervisory Team members to the development of
the 1.2 acre property in Parcel A which is slated to come under the control of the QPE, and to QPE participation in
the Cultural and Historical Recognition Program (CHRP.) As of this writing, these are only topics for further
discussion by the Supervisory Team if it chooses, not adopted policies or recommendations.
recommendations are consistent with establishing the organizational depth, flexibility and accountability needed to pursue this objective.

3. Portfolio and Endowment management

The planning process for the Roadmap and the QPE confirmed the value and importance of creating assets and a long-term source of revenue for community-focused activities. This would take the form of an endowment of some kind, such that a substantial, as yet undetermined, portion of the land sale proceeds would be invested for the long term, with the interest potentially available on an annual basis but the principal unspent in order to be a growing asset. The Supervisory Team, CAC, and community residents were provided a framework and examples of options for the financial objectives and management of nonprofit, community development endowments.19

An endowment controlled by a nonprofit organization is ultimately the responsibility of its board of directors. The board should establish a finance committee, and potentially an investment subcommittee. The board and staff may retain fund managers for various functions, and San Francisco is fortunate to be home to a strong complement of portfolio managers and advisors who specialize in community development, nonprofit asset development, and related fields.

The San Francisco Redevelopment Agency is the initial recipient of and fiduciary agent for the land sale proceeds. The creation of an endowment for the QPE should be done in a manner which satisfies the legal requirements of the agency’s responsibilities and ensures that funds are used for public purposes, yet maximizes the authority of the decision-making of the QPE board.

Apart from an endowment, there will be other needs for the management and investment of short term funds and longer term investments. Initially this portfolio will grow out of the land sale proceeds, but over time the QPE will hopefully generate capital and well as operating expenses from other sources as well.

---

19 The presentations were made by Joshua Simon of the Northern California Community Loan Fund.
IX. MISSION AND VISION STATEMENTS FOR THE QPE

The following statements have been drafted based on the documents which created the basis for establishment of the QPE and the deliberations of the Supervisory Team, CAC and community workshops.

The mission of the Shipyards Legacy Fund’s QPE is to oversee and govern all uses of the SLF assets in a manner that serves the interest of the Bayview-Hunters Point Area community as a whole and that operates to ensure that the Fund assets are used to create opportunities for residents of this community.

A Vision for the Quasi-Public Entity: The SLF shall develop into a valued and respected community institution, both within and outside of the BVHP area, which is routinely called upon by the SF community for its ability to direct its own resources and catalyze other public and private resources to effectively address the needs of BVHP residents in a manner that produces improved outcomes for residents and conditions in the neighborhood.
APPENDIX A: LIST OF KEY INFORMANTS

Joe Brooks
Vice President for Civic Engagement, PolicyLink

Paul Brophy
Principal, Brophy and Reilly LLC

Tom Burns
Director, Urban Ventures Group

John Goldstein
National Program Director, The Partnership for Working Families

Spence Limbocker
Executive Director, Neighborhood Funders Group

Heather McCulloch
Principal, Asset Building Strategies

Jerilyn Mendoza
Policy Director, Attorney, Environmental Justice Project

Ben Starrett
Executive Director, Funders Network

Roxana Tynan
Accountable Development Director, Los Angeles Alliance for a New Economy

April Veneracion
Director, South of Market Community Action Network
## APPENDIX B: LIST OF ORGANIZATIONS ANALYZED

<table>
<thead>
<tr>
<th>Organization</th>
<th>Type of Community Organization</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bethel New Life</td>
<td>Community-Based Developer</td>
<td>Chicago, IL</td>
</tr>
<tr>
<td>Caring for Colorado Foundation</td>
<td>Community-focused Foundation</td>
<td>Denver, CO</td>
</tr>
<tr>
<td>Community Memorial Foundation</td>
<td>Community-focused Foundation or Fund</td>
<td>Chicago, IL</td>
</tr>
<tr>
<td>Dudley Neighbors Incorporated</td>
<td>Community Land Trust</td>
<td>Boston, MA</td>
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<tr>
<td>Dudley Street Neighborhood Initiative</td>
<td>Community-Based Developer</td>
<td>Boston, MA</td>
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<tr>
<td>Empower Baltimore Management Corporation</td>
<td>Quasi-Public Community Development Initiative</td>
<td>Baltimore, MD</td>
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<tr>
<td>Griffiss Local Development Corporation</td>
<td>Quasi-Public Community Development Initiative</td>
<td>Rome, NY</td>
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<tr>
<td>Jacobs Center for Neighborhood Innovation</td>
<td>Operating Foundation</td>
<td>San Diego, CA</td>
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<tr>
<td>Knoxville Affordable Housing Trust Fund</td>
<td>Quasi-Public Community Development Initiative</td>
<td>Knoxville, TN</td>
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<td>Livable Communities Initiative, East Bay</td>
<td>Community-focused Foundation or Fund</td>
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<td>Louisville Community Development Bank</td>
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<td>Michigan Community Foundations' Youth Project</td>
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<td>Grandhaven, MI</td>
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<td>Neighborhood Connections Fund, Cleveland</td>
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<td>Northern California Community Loan Fund</td>
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<td>NorthWay Community Trust</td>
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<td>Minneapolis, MN</td>
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<td>Northwest Area Foundation</td>
<td>Community-focused Foundation or Fund</td>
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<td>Pacific Community Ventures</td>
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<td>Philadelphia Industrial Development Corporation</td>
<td>Quasi-Public Community Development Initiative</td>
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<td>Roberts Enterprise Development Fund</td>
<td>Socially Responsible Investor</td>
<td>San Francisco, CA</td>
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<td>Santa Fe Housing Trust Fund</td>
<td>Quasi-Public Community Development Initiative</td>
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<td>Self-Help Credit Union</td>
<td>Community Development Financial Institution</td>
<td>Durham, NC</td>
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<td>Southern Partners Fund</td>
<td>Community-focused Foundation or Fund</td>
<td>Atlanta, GA</td>
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<td>Steans Family Foundation</td>
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<td>Chicago, IL</td>
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<td>The GreenWays Initiative, Community Foundation for Southeastern Michigan</td>
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<td>The Reinvestment Fund</td>
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<td>Community Development Financial Institutions</td>
<td>Burlington, VT</td>
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</tbody>
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Task 5
Shipyard Legacy Fund Report

Report on Community Outreach, Consultation and Inclusion Plan

June 27, 2007

Prepared by:

Sarah Price
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I. INTRODUCTION

This document is fifth in a series of reports being prepared by Urban Strategies Council (The Council) in partial completion of a contract (Resolution No. 117-2005) with the San Francisco Redevelopment Agency (SFRA) to provide technical assistance and community outreach services to the Hunter’s Point Shipyard Citizen’s Advisory Committee (CAC). Under the terms of that agreement, the Council was engaged to conduct outreach, provide information and advise the CAC regarding the uses and governance of the Enhanced Community Benefits included in the Disposition and Development Agreement (DDA) between the SFRA and the Shipyard master developer, Lennar/BVHP LLC. These Enhanced Community Benefits are referred to as the Shipyard Legacy Fund (SLF). The SLF is comprised of a portion of the proceeds from the sale of Phase I land on the Shipyard as well as approximately six (6) acres of land on the Shipyard designated for community use.

A Supervisory Team (ST) comprised of the CAC Executive Committee, the SFRA, the Mayor’s Office and the District 10 Supervisor’s Office oversees the work of the Council under this contract. In conjunction with the Supervisory Team, and in ongoing consultation with the broader Bayview Hunters Point (BVHP) Area community (See Attachment 1 for map of target area), the Council is to complete the following tasks:

1. Undertake a Comprehensive Needs Assessment
2. Conduct a Census and Analysis of Community-Based Service Programs and Providers
3. Develop a Community Benefits “Roadmap” to be comprised of a set of concrete recommendations and implementation activities for the initial uses of the Fund
4. Identify Models for a Quasi Public Entity (QPE) which will govern and administer the Fund’s activities and resources
5. Conduct Community Outreach, Consultation and Inclusion.

This document reports on Task 5 activities and it includes:

1. A description of the process by which the Council and ST created the Community Outreach, Consultation and Inclusion Plan;
2. An overview of the outreach plan;
3. A description of plan implementation and results; and
4. Lessons and recommendations for future outreach.

Other documents to be completed under this contract include:

- Findings from the Analysis of Comprehensive Needs Assessments (Task 1);
- Census of Community-Based Services and Providers (Task 2);

1 Urban Strategies Council (the Council) is a community building support and advocacy organization located in Oakland, California. Since 1987, the Council’s mission has been to eliminate persistent poverty by helping to transform low-income neighborhoods into vibrant, healthy communities. The Council provides research and data analysis, strategic planning, program development, capacity building and advocacy in service to low-income communities.
- Development of a Community Benefits Investment Roadmap (Task 3); and
- Designing a Quasi-Public Entity to Direct the Shipyard Legacy Fund (Task 4)

These reports are available from the CAC, the SFRA and the Council online at [www.urbanstrategies.org/slfp](http://www.urbanstrategies.org/slfp).

Additionally, all Community Briefing, workshops and Special CAC sessions were video recorded. Digital recordings are available through the Council and will be provided separately to the CAC and the Site Office.
II. SCOPE OF WORK

The Request for Proposals (RFP) outlined the scope of work for Task 5 as follows:

Community input will be necessary to determine the precise nature of the QPE (i.e., whether it is a community foundation, a public benefit corporation, etc.) and the role of the QPE in utilization of the Agency’s Net Sales Proceeds for the well-being of the BVHP Area, as well as its relationship to the Agency. Throughout the process of developing the Community Benefits Roadmap and the QPE models the Consultant shall work to ensure the ongoing involvement of the BVHP Area residents and representative organizations such as the Bayview Hunters Point Project Area Committee (“PAC”).

This task includes:

- 5.1 Applying the key concepts governing community participation in this process—outreach, consultation and inclusion.
- 5.2 Creating a framework to achieve the goal of the community outreach, consultation and inclusion program that will ensure that the BVHP Area stakeholders, through the CAC public participation process, are fully engaged as partners in the decision making process that will lead to the formation of the QPE that can be recommended to the Agency Commission.
- 5.3 Developing a short- and long-term comprehensive and multifaceted public outreach strategy and public participation program that will support all activities that take place during the planning process for the BVHP Area Services Census, Comprehensive Needs Assessment, Community Benefits Roadmap, QPE modeling, and other activities.
- 5.4 Providing to the Agency the outreach strategy for review of completeness prior to implementation. Once the CAC has provided input and the Agency has approved the plan, the Consultant will immediately begin the BVHP Area Service Census, Comprehensive Needs Assessment and Community Benefits Roadmap, as well as begin the investigation of models for a QPE. Both the Community Benefits Roadmap and research on models for a QPE shall include an approved community outreach plan that has been reviewed by the CAC and the Agency.
- 5.5 Undertaking a minimum of two (2) public workshops to be held in conjunction with the CAC to develop key concepts and approaches to the program, and a minimum of two (2) Agency Commission workshops to be held to provide updates on the progress of drafts of the BVHP Area Service Census, Comprehensive Needs Assessment, Community Benefits Roadmap, and QPE modeling.
- 5.6 Providing a written report detailing its outreach activities, including lists of individuals participating in workshops and other functions to the
CAC and the Agency. These reports shall also be incorporated as addenda to the proposed recommendation documents. (p. 12).  

In response to the provisions of the RFP, the Council thought it prudent to delay the design and implementation of the Community Outreach Plan until they could consult with the Supervisory Team. The Council felt the members of the CAC and Supervisory Team would best be able to guide the development of the plan to include local BVHP residents and representative organizations in the process of developing the Community Benefits Roadmap and QPE Models.

The Council began development of the plan by reviewing documents and starting discussions with the CAC, the Agency and other community stakeholders to gain an understanding of the Community participation process to date. This would allow the Council to ascertain key objectives and components of Community participation for this phase of the Shipyard project. Based on those discussions, the Council would design an initial outreach plan to re-engage previously contacted residents and organizations and to engage broader sectors as needed.

The Council proposed an initial CAC-sponsored public workshop within the first 90 days of the project to make sure that there is alignment between community needs and plans and products. The objective of this workshop would be to place the Council in the position to understand the plans and products from a community perspective and to adapt the products to meet the needs of the community.

Based on the outcome of this workshop, The Council planned three subsequent points of contact with the community, to focus on:

1. The needs assessment, services census and gap analysis from Tasks 1 and 2;
2. Roadmap priorities and programs; and
3. Priorities and QPE model(s).

Throughout all task activities, The Council would utilize and modify tools they have developed or have knowledge of to allow the use of existing expertise to build community capacity to implement the Roadmap and operate the QPE.  

While the main goals of the community outreach and inclusion task remained constant throughout the process, the activities and tactics proposed changed dramatically over the course of the planning process and, thus, the final activities differed from the original scope of work. We describe the development and implementation of the plan further in subsequent sections of this report.

---

2 SFRA RFP for Technical Assistance to the HPSY Citizens Advisory Committee – December 15, 2004

III. PROCESS FOR DEVELOPING COMMUNITY OUTREACH PLAN

CAC PROCESS
The RFP for this project indicated that community outreach was to be conducted by the consultants, but tasked the consultants, ST and CAC to develop and obtain approval of a community engagement plan. Because the Council is not based in BVHP, it depended on the guidance of the CAC and ST members on the types of outreach to conduct, stakeholders to engage, and which community organizations to orient. The Council did not want to waste resources reinventing an elaborate outreach system if one already existed and, thus, sought ST and BVHP stakeholder advice on locating existing outreach structures and services in the neighborhood. Urban Strategies Council had initial discussions with the Supervisory Team about the community outreach plan at the November 2005 Supervisory Team meeting. Final plans were presented at the December 2005 and January 2006 Supervisory Team meetings. The outreach plan and budget were approved by the full CAC at its February 13, 2006 meeting.

Since the RFP anticipated the development of a plan after commencement of the contract and the specific details of the plan were not known, no funds were allocated for the implementation of the plan. Therefore, the plan had to be approved and funded by the Redevelopment Commission, which occurred at its February 8, 2006 meeting.

PLAN OBJECTIVES AND OUTCOMES
Urban Strategies Council’s main task was to advise the CAC and support them in both making decisions and engaging/informing the broader community. The Council’s outreach was framed by that task.

Early in the process (October 2005-March 2006) the Council designed outreach and workshops to get community opinion about how to use the SLF assets by:
1. Informing residents, community organizations and other stakeholders about the Fund and the community planning process for the Fund;
2. Providing opportunities to participate in the community planning process;
3. Informing the ST, CAC and consultants about community opinion; and
4. Engaging previously less-engaged sectors—i.e. District 10 residents outside of the Bayview, non-English speakers, youth, Asian and Latino communities.

The intended results of the engagement plan can be viewed from several angles: those benefiting community residents and the BVHP community; and those benefiting the goals of the Agency.

Outcomes benefiting community residents and the BVHP community
- Educate stakeholders about past and future opportunities at the Shipyard
- Engage a projected 600 persons (150 x four workshops) in the planning for the Fund
- Encourage residents to get involved in the future activities supported by the Fund

Outcomes benefiting the goals of the Agency
- Expand the contact database of stakeholders for future Agency projects
- Educate and engage a wider base of BVHP residents in the planning process
- Educate and communicate with important community groups, community-based organizations, and municipal agencies involved in other processes in the BVHP Area

After the March 2006 Community Briefing, the ST and Urban Strategies Council devised a major revision to that approach. At the Briefing two key points arose: 1) members of the community were unclear about Urban Strategies Council’s role in the SLF decision-making process; and 2) there was no clear community consensus on how the SLF should be invested. Based on these key points, the Council and ST decided that instead of taking the broader community through an extensive process to develop recommendations, we would take the ST and the CAC through such a process and then present the preliminary recommendations of the ST and CAC to the community for their discussion and input. Additionally, the ST would take a much more active role in planning and facilitating community meetings to gather community input.
V. OVERVIEW OF COMMUNITY OUTREACH PLAN

The consultants and Supervisory Team took the following approach to community engagement:

- Engage the ST and CAC in outreach activities;
- Orient community stakeholders by attending existing groups’ meetings;
- Conduct intensive outreach for the three community workshops;
- Do one–on-one interviews with key constituents; and
- Develop electronic and hardcopy communications systems.

COMMUNITY OUTREACH PLAN COMPONENTS AND RATIONALE

The following comprehensive community engagement strategy was developed by Urban Strategies in consultation with the ST and the CAC, and approved and funded by the Redevelopment Commission. All activities were completed unless otherwise noted.

1) COMMUNICATIONS AND CONTACT DATABASE

   a) Design a suite of outreach materials including posters, flyers, comment cards, one-page program fact sheet, print and other media PSAs for the outreach effort
   Multiple methods of written communication would allow for diversification of target audiences. The Fact sheet would convey an overview of the SLF to those who were unable to attend the workshops. Most of the communication materials were translated into Spanish and Chinese to reach out to previously unengaged populations

   b) Post materials, information and links on Website
   Posting materials on the web allows Internet-connected stakeholders who were unable to attend community meetings to review materials from the SLF process and create an ongoing record of the process and documents.

   c) Design and maintain a contacts database
   Continuous development of the contact database would enable the Council to keep interested stakeholders up to date on SLF developments and will enable the CAC and QPE to continue to engage the stakeholders in the future.

   d) Produce four project updates and disseminate by e-mail, fax or US mail to contact list.
   One ST member expressed the frustrations of community members who participated in many planning workshops but were never presented with the results of the process and project. The project updates would update participating stakeholders on the results of their participation and to track progress on the SLF planning process.

2) OUTREACH

4 This overview can be found in Attachment 2: SFRA Memo to Endorse and Fund SLF Outreach Plan

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a) **Hire local residents to drop leaflets and community comment cards door-to-door** to all addresses in BVHP Area, once two weeks before the first workshop and once two weeks before the third workshop. *Despite its expense, ST and BVHP community members believed that door-to-door leafleting was the best way to alert BVHP residents of the SLF workshops.*

b) **Bulk Mailing to business, churches and community organizations** to announce workshops, once three weeks before the first workshop and once three weeks before the third workshop. *We used this activity to ensure notification of key community institutions.*

c) **Phone follow-up with community organizations and churches** to encourage participation in the workshops. *The ST proposed that phone outreach and personal invitations would increase participation of local organizations and churches. The Council conducted some phone outreach early in the process to important neighborhood stakeholders. The ST later agreed it would be more effective for ST/CAC members to make calls to local organizations since they often had personal relationships and could build sustainable new relationships.*

d) **Posters on main thoroughfares**, once two weeks before the first workshop and once two weeks before the third workshop. *Posters on the main thoroughfares would supplement the notice to those stakeholders who received the flyer at their door and inform people who do not live in BVHP.*

e) **Design and conduct at least eight (8) orientation sessions** on the project at meetings of community-based organizations. *The ST members felt that outreach to existing organizations such as the PAC and local police-citizen partnerships was the most effective and efficient way to reach a variety of community stakeholders.*

f) **Media Public Service Announcements (PSAs)**, once two weeks before the first workshop and once two weeks before the third workshop. *PSAs on local community radio station KPOO and in the Bayview newspapers would serve as additional cost-effective means through which to outreach to local stakeholders. The radio also allows outreach to those stakeholders who have trouble reading written materials either because of illiteracy or vision impairment.*

3) **ENGAGEMENT IN ORIENTATIONS, BRIEFINGS AND WORKSHOPS**

a) **Design and produce the communications materials** for the orientation sessions, the briefing and the three workshops. *Special attention to the design of materials for the orientations and workshops was needed because the materials had to present the vast amounts of information the Council had collected in a manner that community members could understand and use. Most written materials were also translated into Spanish and Chinese to allow non-English speakers to follow along with the workshops.*

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5 The ST decided against sending a bulk mailing to businesses and reallocated the funds to other outreach on April 19, 2006.
6 The ST decided it would be better for CAC members to do this on May 10, 2006.
7 Five (5) orientations were conducted
b) **Design and conduct one Briefing Session** with community stakeholders to present the findings from the needs assessment and the services and provider census and to prioritize investment needs. The briefing early in the process would enable the CAC to check in with the community about its perceived needs and to begin to prioritize needs. The briefing also allowed the CAC and community to hear the results of the Council’s research on previous needs assessments to determine whether those past studies still accurately reflected the community’s needs.

c) **Design and conduct three workshop sessions** with community stakeholders regarding the structure and functions of the QPE and the initial investment roadmap. 
*Rationale: the three workshops would allow the community to participate in the CAC’s decision-making process for each of the three final products of the project:*

1) priorities for investment  
2) an investment roadmap  
3) an organizational structure (Quasi-Public Entity [QPE])

**ADAPTATION OF PLAN AND NEW APPROACH**

Diagram 1 presents a picture of the community outreach and workshop process that was developed in response to feedback from the March 2006 Community Briefing Session on Tasks 1 & 2. In the post-March community engagement plan each topic of inquiry and subsequent Community Workshop involved a multi-stage cycle with the CAC and community.

1) Urban Strategies Council first developed tools to inform and guide the ST/CAC in its decision-making process about the topic at hand.  
2) The Council then provided the basic information and tools to the ST, gathered its input and initial recommendations, and worked with them to design a workshop session for the full CAC.  
3) The Supervisory Team then held a Special Session for the CAC to present and discuss in detail the options and the implications of each option with the assistance of Urban Strategies Council and other consultants. At each Special Session Urban Strategies offered preliminary recommendations to the CAC and the CAC made initial recommendations to be presented at the Community Workshops.  
4) Based on the CAC’s Special Session discussion, the Council and ST developed materials for the community workshop.  
5) The CAC then hosted and co-facilitated Community Workshops as if they were CAC Town Hall meetings to gather resident and stakeholder reactions to the CAC recommendations. All workshops had Spanish and Chinese translators in attendance to allow the participation of non-English speakers. Childcare and refreshments were also provided to encourage participation.  
6) Then the Supervisory Team considered the input from the CAC and the community and made recommendations to the CAC on critical decisions on recommendations related to the area under consideration.  
7) At the next CAC general meeting the CAC acted on the recommendations provided by the ST and Urban Strategies Council.
The diagram on the following page represents the community outreach and inclusion loop for every cycle of the SLF process.
DIAGRAM 1: DEVELOPING SHIPYARD LEGACY FUND RECOMMENDATIONS
CAC PROCESS: SUPERVISORY TEAM, CAC SPECIAL SESSIONS AND
COMMUNITY WORKSHOPS

1. Supervisory Team & consultants design content for CAC Special Session.

2. Supervisory Team & consultants inform CAC at Special Session for full CAC. Full CAC makes initial recommendations for Community Workshop.

3. Supervisory Team & consultants design content for Community Workshop, based on CAC guidance.

4. CAC shares their initial recommendations with interested residents and stakeholders at Community Workshop and gets feedback.

5. Supervisory Team & consultants design final recommendations for next CAC Special Session.

6. CAC takes action on Recommendations at next CAC Special Session or next CAC regular meeting.

Repeat for Workshop 2 and Workshop 3
4. EVALUATION AND OTHER OUTREACH

a. Design and distribute comment cards
Rationale: The ST emphasized creating mechanisms through which residents could offer input on the SLF products even if they could not attend one of the workshops. Comment cards were developed and distributed at orientations and other venues so that residents could offer input on priorities and then mail their comments to Urban Strategies Council.

b. Distribute workshop questionnaires
Rationale: The Council continually sought ways to improve outreach and communication with the community. One method was to pass out questionnaires to attending participants of the workshops to determine how they had heard about the workshop, what outreach strategies they would suggest, whether they felt the session was informative, and what they would like from future workshops.

c) Provide contact information for Urban Strategies Council staff member for information requests
Rationale: Because many residents could not attend workshops or were uncomfortable asking their questions publicly, Urban Strategies Council provided contact information for a Program Associate who was available to answer questions about the SLF.
V. PLAN IMPLEMENTATION AND RESULTS

OUTREACH CONDUCTED PRIOR TO WORKSHOPS

Urban Strategies Council staff conducted numerous one-on-one interviews of CAC members and other BVHP leading residents to ascertain preferences for a community engagement plan and initial sentiments for investment of the funds. (We were did not locate written documentation of past community engagement plans or efforts.)

After meeting with individual community stakeholders the Council conducted several Community Orientations for community organization, held during their regular meetings. Please see the table below for names and dates of community orientations. We also researched possible community groups in Visitacion Valley and Potrero Hill to do orientations for but were unable to secure any dates with the identified organizations.

The Council developed an array of electronic communication methods and materials to aid in the implementation of the outreach plan. All of the stakeholders who participated or offered input during the SLF process have been documented in the electronic contact database which will be provided to the CAC for future QPE related outreach. The Council also created a database of contact and program information of all community-based organizations that were identified in BVHP as part of Task 1 and 2.

Over the course of the SLF process the Council created a variety of written communication tools to inform residents about the process and/or to collect information on priorities from stakeholders. The written communication tools include, but are not limited to:

- Shipyard Legacy Fund One-pager
- Comment cards
- Opportunities map of future economic development in BVHP
- Summaries of possible projects in which to invest the SLF resources
- Summaries of each of the community workshops
- Workbook of CAC decisions regarding the SLF to-date
- Posters and fliers announcing upcoming workshops

Table 1 describes the outreach activities conducted prior to the Community Workshops and the results of those activities.
Table 1: Outreach Activities Conducted Prior to Workshops

<table>
<thead>
<tr>
<th>Activity</th>
<th>Dates</th>
<th>Approximate Number of People Reached</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design and development of outreach and communications material</td>
<td>November 2005-March 2007</td>
<td>N/A</td>
</tr>
<tr>
<td>- one pager</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- comment cards</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- etc.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development and maintenance of contact database</td>
<td>November 2005-March 2007</td>
<td>Approximately 220 contacts in the database</td>
</tr>
<tr>
<td>Design and delivery of orientations to the SLF at meetings of local</td>
<td></td>
<td></td>
</tr>
<tr>
<td>community organizations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• PAC Economic Development Committee 1/5/06</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• ROSES 1/5/06</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• PAC Land Use Committee 1/9/06</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Full PAC meeting on 1/19/06</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• District 10 Council on 3/1/06</td>
<td></td>
<td></td>
</tr>
<tr>
<td>One-on-one interviews</td>
<td>November 2005-March 2006</td>
<td>10</td>
</tr>
<tr>
<td>Development of database of BVHP community-based organizations</td>
<td>November 2005-March 2006</td>
<td>Database contains information on approximately 320 organizations</td>
</tr>
</tbody>
</table>
**OUTREACH ACTIVITIES AND RESULTS FOR 3/18/06 COMMUNITY BRIEFING**

On March 18, 2006, The Council and the CAC conducted a Community Briefing on our analysis of Community Needs and Services and the Providers Inventory. Table 2 describes the outreach activities conducted for that briefing. Approximately 80 people attended this briefing.

**Table 2: Outreach Activities Conducted for 3/18/06 Community Briefing on the Community Needs, Services and Providers Inventory**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Dates</th>
<th>Approximate Number of People Reached</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design and development of outreach and communications material</td>
<td>November 2005-March 2006</td>
<td>N/A</td>
</tr>
<tr>
<td>Emailed to CAC mailing lists</td>
<td>March 2006</td>
<td>50</td>
</tr>
<tr>
<td>Email blast Save the Date and Reminders to Task 5 contact database and Task 2 CBOs</td>
<td>March 2006</td>
<td>approximately 120 email addresses</td>
</tr>
<tr>
<td>Phone outreach to CAC members</td>
<td>March 2006</td>
<td>10</td>
</tr>
<tr>
<td>Media Public Service Announcement Placements – KPOO and San Francisco Bayview Newspaper</td>
<td>March 2006</td>
<td>Although it is not known how many residents viewed the specific ad in the Bayview, the paper has a mailing subscription of 800; deliver 7,000 door-to-door; and have another 13,000 available at drop points throughout San Francisco and Oakland. Although it is not known how many people heard the PSA on KPOO, their broadcast range covers most of San Francisco and Oakland</td>
</tr>
<tr>
<td>Bulk Mailing of announcement of workshop to Task 5 contact database and Task 2 CBOs</td>
<td>March 2006</td>
<td>approximately 300 addresses</td>
</tr>
</tbody>
</table>
OUTREACH ACTIVITIES AND RESULTS FOR 6/17/06 COMMUNITY WORKSHOP

On June 17, 2006, The Council and the CAC conducted a Community Workshop on SLF Investment Priorities. Table 3 describes the outreach activities conducted for that briefing. Approximately 80 people attended this meeting, including 9 members of the CAC. Additionally, 14 CAC members and 10 others attended the CAC special session on this topic.

Table 3: Outreach Activities Conducted for 6/17/06 Community Workshop on Priorities for Investment

<table>
<thead>
<tr>
<th>Activity</th>
<th>Dates</th>
<th>Approximate Number of People Reached</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design and development of outreach and communications material</td>
<td>June 2006</td>
<td>N/A</td>
</tr>
<tr>
<td>Mailed to CAC mailing lists</td>
<td>June 2006</td>
<td>50</td>
</tr>
<tr>
<td>Eblast Save the Date and Reminders to Task 5 contact database and Task 2 CBOs</td>
<td>June 2006</td>
<td>120 email addresses</td>
</tr>
<tr>
<td>Phone outreach to CAC members</td>
<td>June 2006</td>
<td>10</td>
</tr>
<tr>
<td>Media Public Service Announcement Placements – KPOO and San Francisco Bayview Newspaper</td>
<td>June 2006</td>
<td>Although it is not known how many residents viewed the specific ad in the Bayview, the paper has a mailing subscription of 800; deliver 7,000 door to door; and have another 13,000 available at drop points throughout San Francisco and Oakland. Although it is not known how many people heard the PSA on KPOO, their broadcast range covers most of San Francisco and Oakland.</td>
</tr>
<tr>
<td>Bulk Mailing of announcement of workshop to Task 5 contact database and Task 2 CBOs</td>
<td>June 2006</td>
<td>approximately 300 addresses</td>
</tr>
<tr>
<td>Flyers delivered to all District 10 residences</td>
<td>June 2006</td>
<td>approximately 25,000 addresses</td>
</tr>
<tr>
<td>Activity</td>
<td>Dates</td>
<td>Approximate Number of People Reached</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>----------</td>
<td>----------------------------------------------------------</td>
</tr>
<tr>
<td>Design and development of outreach and communications material</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Posters on main thoroughfares</td>
<td>June 2006</td>
<td>Approximately 15 posters mounted</td>
</tr>
<tr>
<td>Post workshop: Bulk Mailing and Eblast of summary of workshop to Task 5 contact database and Task 2 CBOs</td>
<td>July 2006</td>
<td>approximately 300 addresses and 120 email addresses</td>
</tr>
</tbody>
</table>
OUTREACH ACTIVITIES AND RESULTS FOR 9/9/06 COMMUNITY WORKSHOP

On September 9, 2006, The Council and the CAC conducted a Community Workshop on SLF Roadmap Investments. Table 4 describes the outreach activities conducted for that briefing. Approximately 50 people attended this meeting, including 9 members of the CAC. Additionally, 11 CAC members and 5 others attended the CAC special session on this topic.

Table 4: Outreach Activities Conducted for 9/9/06 Community Workshop on Investment Roadmap

<table>
<thead>
<tr>
<th>Activity</th>
<th>Dates</th>
<th>Approximate Number of People Reached</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design and development of outreach and communications material</td>
<td>September 2006</td>
<td>N/A</td>
</tr>
<tr>
<td>Eblast Save the Date and Reminders to Task 5 contact database and Task 2 CBOs</td>
<td>September 2006</td>
<td>120 email addresses</td>
</tr>
<tr>
<td>Phone outreach to CAC members</td>
<td>September 2006</td>
<td>10</td>
</tr>
<tr>
<td>Media Public Service Announcement Placements – KPOO and San Francisco Bayview Newspaper</td>
<td>September 2006</td>
<td>Although it is not known how many residents viewed the specific ad in the Bayview, the paper has a mailing subscription of 800; deliver 7,000 door to door; and have another 13,000 available at drop points throughout San Francisco and Oakland. Although it is not known how many people heard the PSA on KPOO, their broadcast range covers most of San Francisco and Oakland</td>
</tr>
<tr>
<td>Bulk Mailing of announcement of workshop to Task 5 contact database and Task 2 CBOs</td>
<td>September 2006</td>
<td>approximately 300 addresses</td>
</tr>
<tr>
<td>Flyers delivered to all District 10 residences</td>
<td>September 2006</td>
<td>approximately 25,000 addresses</td>
</tr>
<tr>
<td>Posters on main thoroughfares</td>
<td>September 2006</td>
<td>Approximately 15 posters mounted</td>
</tr>
<tr>
<td>Activity</td>
<td>Dates</td>
<td>Approximate Number of People Reached</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>-------------</td>
<td>-------------------------------------------------------</td>
</tr>
<tr>
<td>Post workshop: Bulk Mailing and eblast of summary of workshop to Task 5 contact database and Task 2 CBOs</td>
<td>October 2006</td>
<td>approximately 300 addresses and 120 email addresses</td>
</tr>
</tbody>
</table>
OUTREACH ACTIVITIES AND RESULTS FOR 11/4/06 COMMUNITY WORKSHOP

On November 11, 2006, The Council and the CAC conducted a Community Workshop on SLF QPE Organizational Structures. Table 5 describes the outreach activities conducted for that briefing. Approximately 25 people attended this meeting, including 6 members of the CAC. Additionally, 11 CAC members and 10 others attended the CAC special session on this topic.

Table 5: Outreach Activities Conducted for 11/4/06 Community Workshop on Organizational Structure

<table>
<thead>
<tr>
<th>Activity</th>
<th>Dates</th>
<th>Approximate Number of People Reached</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design and development of outreach and communications material</td>
<td>November 2006</td>
<td>N/A</td>
</tr>
<tr>
<td>Mailed to CAC mailing lists</td>
<td>November 2006</td>
<td>50</td>
</tr>
<tr>
<td>Eblast Save the Date and Reminders to Task 5 contact database and Task 2 CBOs</td>
<td>November 2006</td>
<td>approximately 120 email addresses</td>
</tr>
<tr>
<td>Phone outreach to CAC members</td>
<td>November 2006</td>
<td>10</td>
</tr>
<tr>
<td>Media Public Service Announcement Placements – KPOO and San Francisco Bayview Newspaper</td>
<td>November 2006</td>
<td>Although it is not known how many residents viewed the specific ad in the Bayview, the paper has a mailing subscription of 800; deliver 7,000 door to door; and have another 13,000 available at drop points throughout San Francisco and Oakland. Although it is not known how many people heard the PSA on KPOO, their broadcast range covers most of San Francisco and Oakland.</td>
</tr>
<tr>
<td>Bulk Mailing of announcement of workshop to Task 5 contact database and Task 2 CBOs</td>
<td>November 2006</td>
<td>approximately 300 addresses</td>
</tr>
</tbody>
</table>
VII. OBSERVATIONS, LESSONS AND RECOMMENDATIONS

Urban Strategy Council’s outreach efforts as part of Task 5 in the Shipyard Legacy Fund process identified several key lessons about outreach in Bayview Hunters Point.

Despite Council and CAC efforts to avoid scheduling conflicts, SLF activities frequently occurred at the same time or on the same day as other important community meetings and activities. Community participants, including several CAC and PAC members complained about having to choose between SLF and other activities, many of which were planned with the involvement of the SFRA, the Mayor’s Office or Community Development (MOCD) or both. Each of these events proceeds with a separate outreach and communications plan. We would recommend that the SFRA and the City consider ways to staff the coordination of event planning and outreach efforts in BVHP. Minimally, the community needs a generally agreed upon community events calendar. A coordinated approach would require fewer resources, result in less scheduling conflicts and more efficiently inform the community of activities in the neighborhood.

Another factor impacting the level of participation and the attention of the CAC was the simultaneous process initiated by the developer and the Agency to amend the Disposition and Development Agreement (DDA). The additional meetings associated with that request impacted time energy and available meeting times, particularly since all of these processes require a substantial amount of reading and learning to make informed decisions. Part of this fatigue was a factor in the request from the CAC that the Council’s contract be extended and augmented to permit them more time and attention to the Quasi-Public Entity (QPE) discussion and decision-making. Recognition of this factor and a conscious decision to move forward consecutively, rather than concurrently, with these two processes may have resulted in more and better informed participation.

For the most part, stakeholders who participated in the SLF activities were those who had previously been engaged in past CAC or PAC processes, although we identified 10 or so new resident participants over the course of our work. This meant that most ethnic groups except for African-Americans and European Americans were not represented. We would suggest that a conscious attempt to recruit CAC members from under-represented sectors in the neighborhood (such as the Latino or Pacific Islander communities) to serve on leadership bodies such as the CAC and the PAC may help encourage those communities’ participation. Additionally, directed and in-person outreach efforts to tenant organizations, youth groups and other organizations may be advisable.
**ADDENDUM: OUTREACH CONDUCTED FOR 5/19/07 COMMUNITY WORKSHOP ON EXISTING ORGANIZATIONAL MODELS TO MANAGE COMMUNITY ASSETS**

Table 6: Outreach Activities Conducted for 5/19/07 Community Workshop on Existing Organizational Models to Manage Community Assets

<table>
<thead>
<tr>
<th>Activity</th>
<th>Dates</th>
<th>Approximate Number of People Reached</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design and development of outreach and communications material</td>
<td>April 2007</td>
<td>N/A</td>
</tr>
<tr>
<td>Mailed to CAC mailing lists</td>
<td>May 2007</td>
<td>50</td>
</tr>
<tr>
<td>Eblast Save the Date and Reminders to Task 5 contact database and Task 2 CBOs</td>
<td>May 2007</td>
<td>approximately 120 email addresses</td>
</tr>
<tr>
<td>Phone outreach to CAC members</td>
<td>May 2007</td>
<td>10</td>
</tr>
<tr>
<td>Media Public Service Announcement Placements – KPOO</td>
<td>May 2007</td>
<td>Although it is not known how many people heard the PSA on KPOO, their broadcast range covers most of San Francisco and Oakland</td>
</tr>
</tbody>
</table>

**RESULTS OF OUTREACH**

As a result of the community outreach there were approximately 30 participants at the May 19th workshop, including, 9 residents, 7 members of the CAC, and representatives from the SOMA Stabilization Fund, the San Francisco Housing Development Corporation, the Mayor’s Office of Community Development, and the San Francisco Redevelopment Agency.