



118-0052025-002

Agenda Item **No.8(b)**  
Meeting of May 6, 2025

**INFORMATIONAL MEMORANDUM**

**TO:** Commission on Community Investment and Infrastructure

**FROM:** Thor Kaslofsky, Executive Director

**SUBJECT:** Issuance of a Request for Proposals to develop, own, and operate mixed-use affordable rental housing units on Transbay Block 4 West, and to develop and construct adjacent off-site public improvements; Transbay Redevelopment Project Area

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The Office of Community Investment and Infrastructure (“OCII”) is proposing, through a Request for Proposals (“RFP”) process, to offer an OCII-owned parcel for affordable housing development on Transbay Block 4 West (“Block 4W”) in the Transbay Redevelopment Project Area (“Project Area”), and an adjacent parcel for the development and construction of an extension of Tehama Street between Beale Street and Main Street, to be transferred to the City of San Francisco for long-term ownership and operation (the “Tehama Improvements”). Block 4W is an approximately 26,400 square foot rectangular site located on the western portion of Transbay Block 4 (“Block 4”), bounded by Howard Street to the north, the planned Tehama Improvements to the south, Beale Street to the west, and an approximately 18,975 square foot eastern portion of Transbay Block 4 to the east (“Block 4E”).

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The proposed affordable rental housing will provide an assortment of one, two, and three-bedroom units at a range of income levels for low-income families and families experiencing homelessness (the “Family Project”), and studio and one-bedroom units at a range of income levels for low-income seniors and seniors experiencing homelessness (the “Senior Project”). The project will also include a ground-floor community-serving commercial space. Collectively, the Family Project, the Senior Project, and the commercial space are the “Project”.

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The timely advancement of the Project will contribute toward:

- meeting OCII's obligations under the Transbay Redevelopment Project Implementation Agreement ("Enforceable Obligation");
- providing high-quality housing opportunities for persons displaced by prior redevelopment action and their descendants ("Preference Holders"); and
- addressing the City's obligations under the 2023-2030 Regional Housing Needs Allocation as set forth in the Housing Element.

Those proposing to this RFP, ("Applicants") will review and consider the Transbay requirements and guidelines of, including the Transbay Redevelopment Plan ("Redevelopment Plan") which establishes general land use controls and intensities of development, and the Design for Development and the Development Controls and Design Guidelines ("DCDG") which establish the urban design vision and standards for determining Blocks 4's development capacity. The RFP, however, anticipates amendments to the DCDG and possibly the Redevelopment Plan to maximize the number of affordable units at Block 4W. The selected Applicant will work closely with OCII to study and formalize any such amendments in the Project's Schematic Design approval application to the Commission in the future. The selected Applicant will also be required to build its consultant and contractor team in accordance with OCII's Small Business Enterprise ("SBE") Program, emphasizing the goal of local business contracting and local workforce hiring. Pending any feedback from the Commission, OCII will release the RFP to the development community later this week and proposals will be due in Q3 2025.

## **BACKGROUND**

The Project Area, established in 2005, calls for the redevelopment of approximately 40 acres of property (approximately 10 acres of which was formerly occupied by a portion of the Embarcadero Freeway) into a vibrant new downtown neighborhood. The Redevelopment Plan is implemented through partnerships between OCII, the City, Transbay Joint Powers Authority ("TJPA"), Caltrans, and for-profit and non-profit developers. The Project Area is divided into two zones: Zone 1 is implemented by OCII and Zone 2 is implemented by the San Francisco Planning Department (the Project is in Zone 1). When completed, Transbay (including both Zone 1 and Zone 2) will include:

- Approximately 4,243 new residential units, a minimum of 35% of which are required by the Redevelopment Plan to be affordable ("State Affordability Requirement");
- 2.6 million square feet of office space and 200,000 square feet of retail space;
- 9.2 acres of parks, including the 5.4-acre Salesforce Park (located on the roof of the Salesforce Transit Center), the approximately 1-acre Block 3 Park (to be located directly south of Block 4W), and the approximately 2.5-acre Under-Ramp Park;
- Significant transportation improvements, including the Salesforce Transit Center, a hub connecting regional transit systems and serving as the future terminus for Caltrain and high-speed rail; and
- Streetscape improvements including the redesigned Folsom Street, widened sidewalks, bicycle facilities, and pedestrian-oriented alleys.

Within Zone 1, there are a total of twelve developable blocks. To date, a total of 2,196 residential units have been completed across six of these blocks (Blocks 1, 6, 7, 8, 9 and 11a), 691 of which are affordable to low-income households. Another 335 units are under construction (Blocks 2 East and West, approved by the Commission in 2024). Additional housing units are planned for Block 4W (the subject of this proposed RFP), Block 4 East, and Block 12.

Construction is also complete on Salesforce Tower (Parcel T, Zone 2), which features 1.4 million square feet of office space and 10,600 square feet of retail, and on Park Tower (Block 5, Zone 1), which includes 767,000 square feet of office space and 8,642 square feet of retail.

Previously, from June 2016 to June 2024, Block 4 was planned for a block-wide mixed-income residential development, but ultimately the selected developer decided not to pursue the project. Proceeding with the development of Block 4W will allow OCII to advance affordable housing and address the Transbay Housing Obligation while preserving Block 4E for a future project when market conditions improve. The affordability level on Block 4E will be addressed in a future RFP based on what is needed at that time to meet the Transbay Housing Obligation.

**DISCUSSION**

OCII staff has prepared a draft RFP for the development of Block 4 West, included as Attachment B to this memorandum. The RFP provides background information on the site and the Project Area, detailed expectations regarding the program and population to be served, and an overview of design standards. In addition, the RFP outlines the selection process, submittal requirements, and evaluation criteria.

**Block 4W Development Program**

The anticipated development program is summarized in the table below:

Block 4W Development Program Summary	
Target Populations	<ul style="list-style-type: none"> <li>• Families                             <ul style="list-style-type: none"> <li>○ Preference Holders</li> <li>○ Low-income families</li> <li>○ Approximately 20% of family units set aside for families experiencing homelessness (subject to the availability of funding)</li> </ul> </li> <li>• Seniors                             <ul style="list-style-type: none"> <li>○ Preference Holders</li> <li>○ Low-income seniors</li> <li>○ Approximately 20% of senior units set aside for seniors experiencing homelessness (subject to the availability of funding)</li> </ul> </li> </ul>
Number and type of units	Target of approximately 300 to 325 total units <ul style="list-style-type: none"> <li>• Family units (approximately 175 to 200 units):                             <ul style="list-style-type: none"> <li>○ 25% one-bedroom</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ 50% two-bedroom</li> <li>○ 25% three-bedroom</li> <li>● Senior units (approximately 125 to 150 units):             <ul style="list-style-type: none"> <li>○ 90% one-bedroom</li> <li>○ 10% studio</li> </ul> </li> </ul>
Area Median Income (“AMI”) and rent restrictions	Tiered income levels targeted to meet the needs of preference populations, including Preference Holders, at up to 60% MOHCD AMI, provided that the average AMI for all affordable units is at or below 50% MOHCD AMI.
Commercial	Ground floor space for neighborhood-serving commercial use is required on Howard Street at Beale Street.
Parking	<p>Vehicle: for proposal purposes, assume no residential parking (note, however, that Applicants are asked to provide a strategy for resident mobility and transportation strategies that may include on- or off-site parking)</p> <p>Bicycle: Class I bicycle parking spaces at a target ratio of 1:1 for family units and 1:5 for senior units.</p>
Streetscapes and sidewalks	Howard Street, Beale Street, and Tehama Street sidewalks and streetscape improvements
Tehama Improvements	Roadway, crosswalks, sidewalks, and related streetscape improvements, designed and constructed in accordance with City standards.

In furtherance of long-standing City objectives to increase and expedite affordable housing and to address the Transbay Housing Obligation, the RFP notes that OCII anticipates rezoning Block 4W to modify heights and/or bulk standards on one or more portions of the site, subject to further studies and requisite approvals, following Applicant selection.

**Financing**

Funding for the Project will likely comprise a number of sources, including but not limited to 4% low-income housing tax credits with tax-exempt bonds, OCII subsidy, California Department of Housing and Community Development funds, Federal Home Loan Bank Affordable Housing Program funds, and any other outside funding developers deem applicable. Additionally, the City may be able to contribute an operating subsidy for the units set aside for formerly homeless households through the Local Operating Subsidy Program. Funding for Tehama Improvements will be provided by OCII separately from the OCII’s loans to the Family Project and Senior Project.

**Submittal Requirements and Evaluation**

Applicants will be required to provide a submittal package that clearly articulates their vision for the Family Project and Senior Project, approach to key aspects of development, anticipated development and operating costs and financing sources, describes the roles and responsibilities of team members, and highlights the relevant experience and capacity of each Applicant team member. While the base program of this RFP includes both a Family Project and Senior Project, OCII recognizes that Block 4W

is subject to several constraints including the site's size, building code requirements, limited loading space, competitive financing considerations, and adjacency to a planned residential tower on Block 4E. Applicants will therefore be required to include an analysis of a single-project alternative in their RFP submittal response. Evaluation criteria emphasizes OCII's expectations regarding diversity and racial equity in all aspects of the Project, engagement with Preference Holders throughout the Project's development with the goal of successfully housing as many Preference Holders as possible, a thoughtful approach to SBE participation, and the ability to secure financing to deliver the Project on schedule.

#### Preference Holders

Persons displaced by prior redevelopment action and their descendants have the first priority for placement in OCII affordable housing projects. OCII requires that developers engage in robust outreach to and application of the priority for Preference Holders in all OCII-sponsored affordable housing units. Demonstrated understanding of the Preference program and/or experience successfully marketing to and housing Preference Holders and submission of a strategy for identifying Preference Holder needs and preferences to inform the development program will be part of the RFP selection criteria.

### **CONTRACTING AND WORKFORCE HIRES**

The selected Applicant will be required to perform extensive good faith efforts to include SBEs in the performance of any agreement resulting from the RFP and any subsequent agreements between a selected development team and its contractors or consultants as required by OCII's SBE Policy. The SBE Policy seeks to provide opportunities in small business contracting with an objective of meeting an overall SBE participation goal of 50%. The selected Applicant will also comply with OCII's Construction Workforce Requirements to ensure that all contractors and subcontractors demonstrate good faith efforts to meet OCII's workforce hiring goals of 50% for San Francisco residents.

In addition to the SBE Policy good faith efforts, the selected Applicant team will be expected to create a meaningful associate architect opportunity for a San Francisco-based SBE, even if the primary architect is an SBE. The selected general contractor will also be strongly encouraged to create a joint venture or similar partnership relationship with a San Francisco-based SBE contractor(s) looking to gain experience in that role. The general contractor is also strongly encouraged to create subcontracting opportunities across trades for SBEs and City recognized Micro LBEs.

As part of the qualifications submittal, Applicants will submit a Workforce and Contracting Action Plan ("WCAP") that addresses how the team will implement equal opportunity programs, which include the following policies and programs: SBE Policy, Nondiscrimination in Contracts and Benefits, Minimum Compensation Policy, Health Care Accountability Policy, and Prevailing Wage Policy. Applicants may elect to develop the WCAP with in-house staff or in partnership with an outside consultant.

## COMMUNITY OUTREACH

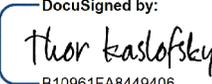
Staff informed the Transbay community and the affordable housing developer community of its intent to issue this RFP through engagement with the Transbay Citizens Advisory Committee (“CAC”), the TJPA CAC, the East Cut Community Benefit District Board of Directors (“CBD Board”), and the Council of Community Housing Organizations (“CCHO”). Staff presented the overall development approach for Block 4 and the RFP for Block 4W at regular meetings of the aforementioned groups in February and March. The CAC, TJPA CAC, CBD Board, CCHO, and members of the public in attendance were supportive of the RFP. CAC members expressed that affordable groceries continue to be an important need in the community. Staff noted that while a grocery space is not required in the RFP, the planned commercial space may be viable for a small market. In addition, the CAC inquired about the potential for onsite resident parking and, if infeasible, suggested a coordinated effort among affordable housing buildings to secure contracts with owners of existing underutilized garages to facilitate space rental for tenants. The RFP asks that Applicants look at the feasibility of providing onsite parking and also provide a strategy for resident transportation and mobility, along with associated costs and benefits, as part of their proposal.

The RFP will be posted on the OCII website and notification of the RFP will be provided directly to community groups, developers, architects, property management companies, supportive service providers, contractors, other community stakeholders through CAC and SBE lists, OCII and MOHCD RFP/RFQ interest lists, Department of Homelessness and Supportive Housing (“HSH”) interest list, and newspaper advertising.

## NEXT STEPS

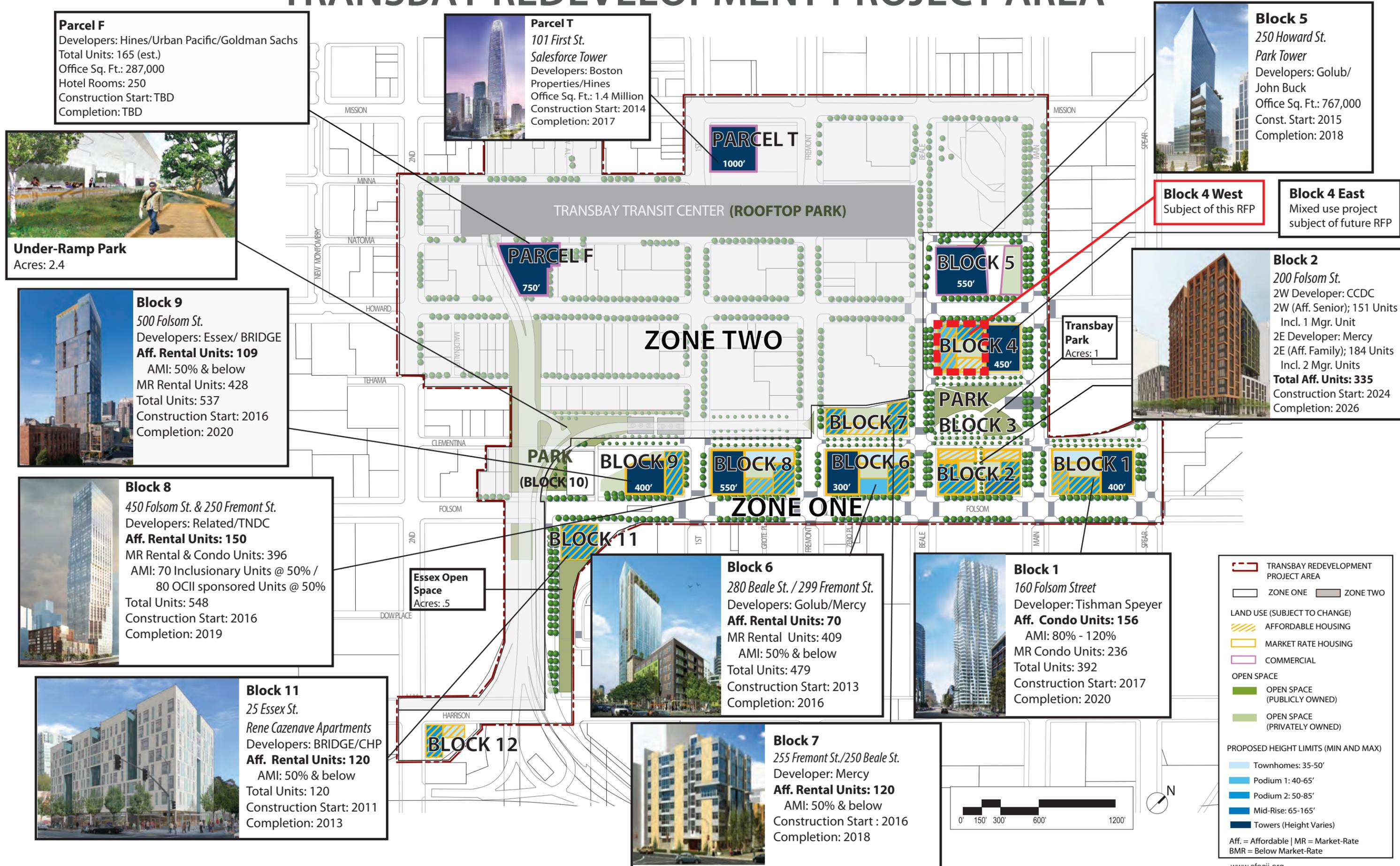
Staff intends to release the RFP on May 8, 2025 and responses will be due Q3 2025. Upon receipt of the Applicants’ submittals, OCII staff will verify their completeness, and only complete responses will be evaluated. An evaluation panel consisting of OCII staff as well as representatives from MOHCD, HSH, and the Transbay CAC will then review the complete responses to determine the extent to which they demonstrate the qualifications as specified in the RFP and interview Applicant teams. The panel’s evaluation results will be provided to the Executive Director who will then recommend an Applicant for consideration by the CAC and the Commission. Additionally, staff anticipates seeking to enter into an exclusive negotiations agreement and a loan agreement for predevelopment funding in early-2026.

*(Originated by Jasmine Kuo, Development Specialist)*

DocuSigned by:  
  
Thor Kaslofsky  
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Executive Director

- Attachment A:** Transbay Project Area Map  
**Attachment B:** Draft Request for Proposals, Transbay Block 4 West

# TRANSBAY REDEVELOPMENT PROJECT AREA



**Parcel F**  
 Developers: Hines/Urban Pacific/Goldman Sachs  
 Total Units: 165 (est.)  
 Office Sq. Ft.: 287,000  
 Hotel Rooms: 250  
 Construction Start: TBD  
 Completion: TBD

**Parcel T**  
 101 First St.  
 Salesforce Tower  
 Developers: Boston Properties/Hines  
 Office Sq. Ft.: 1.4 Million  
 Construction Start: 2014  
 Completion: 2017

**Block 5**  
 250 Howard St.  
 Park Tower  
 Developers: Golub/John Buck  
 Office Sq. Ft.: 767,000  
 Const. Start: 2015  
 Completion: 2018

**Block 4 West**  
 Subject of this RFP

**Block 4 East**  
 Mixed use project  
 subject of future RFP

**Under-Ramp Park**  
 Acres: 2.4

**Block 9**  
 500 Folsom St.  
 Developers: Essex/ BRIDGE  
**Aff. Rental Units: 109**  
 AMI: 50% & below  
 MR Rental Units: 428  
 Total Units: 537  
 Construction Start: 2016  
 Completion: 2020

**Block 2**  
 200 Folsom St.  
 2W Developer: CCDC  
 2W (Aff. Senior); 151 Units  
 Incl. 1 Mgr. Unit  
 2E Developer: Mercy  
 2E (Aff. Family); 184 Units  
 Incl. 2 Mgr. Units  
**Total Aff. Units: 335**  
 Construction Start: 2024  
 Completion: 2026

**Block 8**  
 450 Folsom St. & 250 Fremont St.  
 Developers: Related/TNDC  
**Aff. Rental Units: 150**  
 MR Rental & Condo Units: 396  
 AMI: 70 Inclusionary Units @ 50% /  
 80 OCII sponsored Units @ 50%  
 Total Units: 548  
 Construction Start: 2016  
 Completion: 2019

**Block 6**  
 280 Beale St. / 299 Fremont St.  
 Developers: Golub/Mercy  
**Aff. Rental Units: 70**  
 MR Rental Units: 409  
 AMI: 50% & below  
 Total Units: 479  
 Construction Start: 2013  
 Completion: 2016

**Block 1**  
 160 Folsom Street  
 Developer: Tishman Speyer  
**Aff. Condo Units: 156**  
 AMI: 80% - 120%  
 MR Condo Units: 236  
 Total Units: 392  
 Construction Start: 2017  
 Completion: 2020

**Block 11**  
 25 Essex St.  
 Rene Cazenave Apartments  
 Developers: BRIDGE/CHP  
**Aff. Rental Units: 120**  
 AMI: 50% & below  
 Total Units: 120  
 Construction Start: 2011  
 Completion: 2013

**Block 7**  
 255 Fremont St./250 Beale St.  
 Developer: Mercy  
**Aff. Rental Units: 120**  
 AMI: 50% & below  
 Construction Start: 2016  
 Completion: 2018

**TRANSBAY REDEVELOPMENT PROJECT AREA**

- TRANSBAY REDEVELOPMENT PROJECT AREA
- ZONE ONE
- ZONE TWO

**LAND USE (SUBJECT TO CHANGE)**

- AFFORDABLE HOUSING
- MARKET RATE HOUSING
- COMMERCIAL

**OPEN SPACE**

- OPEN SPACE (PUBLICLY OWNED)
- OPEN SPACE (PRIVATELY OWNED)

**PROPOSED HEIGHT LIMITS (MIN AND MAX)**

- Townhomes: 35-50'
- Podium 1: 40-65'
- Podium 2: 50-85'
- Mid-Rise: 65-165'
- Towers (Height Varies)

Aff. = Affordable | MR = Market-Rate  
 BMR = Below Market-Rate

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## Housing Development

# Request for Proposals

To develop, own, and operate mixed-use affordable rental housing units, including units set-aside for households experiencing homelessness, and to construct adjacent off-site public improvements at:

## Transbay Block 4 West

(located between Beale Street, Howard Street, Tehama Street as extended, and Block 4 East)

## Transbay Redevelopment Project Area

**Deadline for Submission**

**4:00 p.m. – July 31, 2025**

Issued by:

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## SECTION I. SUMMARY

The Office of Community Investment and Infrastructure (“OCII”), acting as the Successor Agency to the San Francisco Redevelopment Agency (“SFRA”), is seeking submittals from qualified applicants: 1) to design, develop, own, and operate affordable rental housing that serves low-income families and families experiencing homelessness (the “Family Project”), and that separately serves low-income seniors and seniors experiencing homelessness (the “Senior Project”) on Transbay Block 4 West (“Block 4W”, the Family Project and Senior Project together are the “Project”) in the Transbay Redevelopment Project Area (“Project Area”); and 2) to design, develop and construct an extension of Tehama Street from Beale Street to Main Street (the “Tehama Improvements”), for subsequent acceptance by the City and County of San Francisco the “City”). OCII may authorize development of the Tehama Improvements under contracts and funding separate from the Project.

Development of the Project furthers OCII’s compliance with state-approved affordable housing obligations requiring that 35% of all new housing developed in the Project Area shall be affordable. Public Resources Code, § 5027.1; Transbay Redevelopment Project Implementation Agreement (2005) (the “State Affordability Requirement”). OCII thus seeks to maximize the number of affordable housing units at Block 4W consistent with good urban design and applicable land use controls.

An applicant (“Applicant”) is defined as a team comprised of *only* the following: a lead non-profit or for-profit housing developer (“Developer”) and a non-profit housing co-developer (“Co-Developer”) (together, “Developers”), a property manager, an architect, a Workforce and Contracting Action Plan (“WCAP”) consultant (if an outside consultant is being proposed), and a supportive services provider. All other consultants will be selected after an Applicant is selected, in accordance with OCII’s Small Business Enterprise (“SBE”) Program. A Developer/Co-Developer joint venture is required (Applicants may choose to include more than one Co-Developer).

The subject properties of this Request for Proposals (“RFP”) are, for the development of the Project, an approximately 26,400-square-foot (0.6-acre) rectangular site (“Block 4W” or the “Site”) bounded by Howard Street to the north, the planned Tehama Street segment to the south, Beale Street to the west, and an approximately 18,975-square-foot eastern portion of Transbay Block 4 to the east (“Block 4E”) (See Attachment 22). The future Tehama Street will be located on the adjacent approximately 11,000-square-foot rectangular site reserved for the Tehama Improvements (the “Tehama Site”). Details on the population to be served by the Project and design specifics can be found in Section IV Development Program in this RFP.

A summary of some of the programming required for the Project and the Tehama Site is provided in the table below. As further discussed herein, creating housing opportunities for persons displaced by SFRA actions and their descendants (“Preference Holders”) is OCII’s highest priority in determining the development program. The selected Applicant will be expected to meaningfully engage with Preference Holders and optimize program elements, to the extent feasible, to facilitate Preference Holder occupancy. Additional information regarding project elements and design standards can be found in Section III Development Program of this RFP.

<b>Block 4W Program Requirement/Tehama Improvements Summary</b>	
Number of units*	A maximum number of high-quality residential rental units (with a total development target of approximately 300 to 325 units)
Unit types*	In separate facilities that share structural components, building systems, common areas and other physical elements to the greatest extent possible under law and funding requirements: <ul style="list-style-type: none"> <li>• Family Project units (target of approx. 175 to 200 units): 1-, 2-, and 3-bedroom units</li> <li>• Senior Project units (target of approx. 125 to 150 units): studio and 1-bedroom units</li> </ul>
Populations	<ul style="list-style-type: none"> <li>• For all units: Preference Holders, especially those displaced by SFRA</li> <li>• Family Project: low-income families; approximately 20% of family units designated for households experiencing homelessness (subject to the availability of funding)</li> </ul>

	<ul style="list-style-type: none"> <li>Senior Project: low-income seniors age 62+; approximately 20% of senior units designated for senior households experiencing homelessness (subject to the availability of funding)</li> </ul>
Area median income (AMI) and rent restrictions	Tiered income levels targeted to meet the needs of Preference Holders, at up to 60% MOHCD AMI, provided that the average AMI of all affordable units is at or below 50% AMI
Commercial	Ground floor public benefit/community-serving retail at the corner of Howard Street and Beale Street
Parking and Loading	<ul style="list-style-type: none"> <li>For proposal purposes, assume no resident parking, however, Applicants are asked to provide a plan for resident mobility and transportation strategies that may include on- or off-site parking</li> <li>At-grade off-street loading off Beale Street and/or Tehama Street to serve residential and commercial uses</li> <li>Class I bicycle parking spaces at a 1:1 ratio for family units and 1:5 for senior units</li> </ul>
Streetscape improvements	Howard Street, Beale Street, and Tehama Street sidewalks and related streetscape improvements
Tehama Improvements	Roadway, crosswalks, sidewalks, and related streetscape improvements, designed and constructed in accordance with City standards.

*\* As further discussed in Section IV.A, OCII acknowledges that the Site is constrained and achieving the target unit count may present challenges. Applicants are asked to include an analysis of a single project alternative in their RFP submittal package (see Section VI.A.2).*

Block 4W and the Tehama Site are part of the Project Area that was administered by the former SFRA. Pursuant to state law, redevelopment agencies throughout the State of California were eliminated on February 1, 2012, California Health and Safety Code §§34161 et seq (the “Redevelopment Dissolution Law”). OCII is the Successor Agency to SFRA and is responsible for implementing SFRA’s enforceable obligations. On April 15, 2013, the California Department of Finance determined “finally and conclusively” that the Transbay Implementation Agreement, Affordable Housing Program, and Tax Increment Sales Proceeds Pledge Agreement are enforceable obligations under Redevelopment Dissolution Law.

The Redevelopment Plan for the Transbay Redevelopment Project Area (“Redevelopment Plan”) and related documents including the Transbay Redevelopment Project Area Design for Development (“Design for Development”), Development Controls and Design Guidelines for the Transbay Redevelopment Project (“DCDG”), and the Transbay Redevelopment Project Area Streetscape and Open Space Concept Plan (“Streetscape and Open Space Concept Plan”) collectively govern the Project Area’s development. OCII will select the Applicant and issue project approvals for Block 4W and the Tehama Improvements. Upon completion of the Project, OCII’s housing assets related to the Site will be transferred to the Mayor’s Office of Housing and Community Development (“MOHCD”), which is the designated Housing Successor under Redevelopment Dissolution Law. MOHCD will therefore participate in the selection of the development team and will also review and comment on the Project’s financial underwriting, funding, and disposition documents in order to ensure a smooth transition to MOHCD at project completion. The Tehama Improvements will have to satisfy applicable City standards so that the City will be able to accept the Tehama Site and Tehama Improvements upon completion for long-term ownership and maintenance.

The OCII Executive Director will recommend an Applicant for consideration by the Commission on Community Investment and Infrastructure (“Commission”) after receiving the evaluation results of an interdisciplinary panel comprised of representatives from OCII, MOHCD, the Department of Homelessness and Supportive Housing (“HSH”), and the Transbay Citizen’s Advisory Committee (“CAC”). The panel will evaluate the Applicant’s proposed development concept as well as its demonstrated successful experience on comparable projects. The Transbay CAC will review the panel’s evaluation and will also make a recommendation prior to the Commission’s consideration of an Applicant.

The Executive Director is not required to recommend the Applicant receiving the panel's highest ranking or evaluation, but may consider other factors, including the fulfillment of OCII policy objectives, in making a written recommendation to the Commission. The Commission has the sole discretion to make the final selection. **OCII may, in its sole discretion, disqualify any Developer and/or Architect or other partner if they have any uncured defaults on any OCII, SFRA, or City agreement within the past five (5) years.**

Applicants are advised that OCII is committed to promoting opportunities for SBEs and the local workforce in the contracting process and the payment of prevailing wages. Upon selection of an Applicant, OCII will seek to enter into an exclusive negotiation agreement with the selected Developers that will lead to a long-term ground lease for the Site.

## SECTION II. IMPORTANT DATES & SUBMISSION PROCESS

### A. Important Dates

**Submittals are due by 4:00 p.m. on July 31, 2025.**

1. Issue Date: RFP available on the OCII website, registration opens	May 8, 2025
2. Pre-Submission Meeting (Video call: register through <a href="#">Eventbrite</a> to receive meeting link)	9:30 a.m. May 21, 2025
3. Deadline for written questions / requests for additional information	May 28, 2025
4. PROPOSAL SUBMISSION DEADLINE	4:00 p.m. July 31, 2025
5. Notification to Developer Teams who failed to meet minimum submission requirements	August 14, 2025
6. Developer Team interviews	Week of August 25, 2025*
7. Submittals evaluated and ranked by Evaluation Panel	
8. Presentation of Evaluation Panel's selection to Transbay CAC	October 9, 2025*
9. Presentation of Panel's selection to Commission (informational memorandum)	October 21, 2025*
10. Commission approves Exclusive Negotiations Agreement and Predevelopment Loan	February 17, 2026*

\* Dates and times are subject to change.

### B. Pre-Submission Meeting

A pre-submission meeting will be held as a video call on the date and time shown above, in Section II.A. The purpose of the meeting is to ensure that all potential Applicants understand the programmatic design and financing information that is required. Although attendance is not mandatory, it is highly recommended. Please register through [Eventbrite](#) by 3:00 PM on May 20, 2025. Prior to the meeting, all prospective applicants registered for the meeting event through Eventbrite will receive a link to the video call. Please note that registering for the pre-submission meeting does not constitute registration as an Applicant under this RFP as described in Section D below.

### C. Questions and Requests for Additional Information

Please submit all questions and information requests to the attention of the contact person listed on the cover page of this RFP. All questions and requests for additional information regarding this RFP must be received **in writing** by OCII (via e-mail) – *on or before* – the time and date as shown above, in Section II.A. Questions received after the deadline may not be answered. All responses and additional information will be distributed to all registered Applicants. OCII reserves the right, in its sole discretion, to determine the timing and content of the response, if any, to all questions and requests for additional information. In addition, OCII may respond via mail or e-mail.

### D. Registration for RFP Packet Required

Responses to this RFP will be accepted only from those Applicants who have registered with OCII. Only registered Applicants will receive answers to submitted questions and additional information as described above. To register, e-mail [jasmine.kuo@sfgov.org](mailto:jasmine.kuo@sfgov.org) with the following information:

1. Organization (registered party may be a Developer, Co-Developer, Architect, Property Manager, or Services Provider. Note, however, that only one registration is needed per Applicant team)
2. Name contact person
3. E-mail address for contact person
4. Phone number for contact person

### E. Submission Time, Place, Date, Contact

Electronic submittals must be uploaded by the date and time shown below. Registered Applicants will receive submittal instructions, including a OneDrive link to upload submittal materials. In addition, by the date and time shown below, Applicants must submit three (3) hard copies of the submittal. Hard copies must be received at the address shown below. The MOHCD receptionist will collect and timestamp all submittals on behalf of OCII.

**Electronic Submittal Deadline: July 31, 2025 at 4:00 p.m.**

Via OneDrive link provided to registered Applicants

**Hard Copy Submittal Deadline: August 1, 2025 at 4:00 p.m.**

Office of Community Investment and Infrastructure  
One South Van Ness Avenue, Fifth Floor  
San Francisco, California 94103  
Attn: Jasmine Kuo

## SECTION III. BACKGROUND

### A. Project Area Overview

The Site for the Project is located in the Transbay Redevelopment Project Area. OCII's Transbay web page (<http://sfocii.org/transbay>) provides links to the following documents that must be reviewed and considered as Applicants prepare submissions:

- Redevelopment Plan
- Transbay Redevelopment Project Implementation Agreement
- Boundary and Zoning Map
- Development Controls and Design Guidelines
- Design for Development
- Transbay Streetscape & Open Space Concept Plan
- Transbay Final Environmental Impact Statement/Report and Addenda

## **1. Overview of the Transbay Project Area**

The Project Area, established in 2005, calls for the redevelopment of approximately 40 acres of property (approximately 10 acres of which was formerly occupied by a portion of the Embarcadero Freeway) into a vibrant new downtown neighborhood. OCII oversees compliance with the Redevelopment Plan, which is incorporated into the Transbay Redevelopment Project Implementation Agreement that the Department of Finance has finally and conclusively approved as an enforceable obligation under the Redevelopment Dissolution Law. OCII implements this obligation through partnerships with the City, Transbay Joint Powers Authority (“TJPA”), Caltrans, and for-profit and non-profit developers. The Project Area is divided into two zones: OCII has jurisdiction over Zone One and the San Francisco Planning Department has jurisdiction over Zone Two. Zone 1 is the area in which formerly state-owned parcels were located and transferred to OCII. Under redevelopment authority, OCII was able to sell most of the parcels for private development and generate over \$700 million in proceeds for construction of the Salesforce Transit Center. In addition, the formerly state-owned parcels in Zone 1 provide OCII with the land to comply with the State Affordability Requirement and to develop public amenities, such as parks, that enhance the Project Area.

When completed, the Project Area (including both Zone One and Zone Two) will include:

- Approximately 4,243 new residential units, a minimum of 35% of which will be affordable;
- 2.6 million square feet of office space and 200,000 square feet of retail space;
- 9.2 acres of parks, including the 5.4-acre Salesforce Park (located on the roof of the Salesforce Transit Center), the approximately 1-acre Block 3 Park (to be located directly south of Block 4W), and 2.5-acre Under-Ramp Park, among other smaller open spaces throughout the Project Area;
- Significant transportation improvements, including the Salesforce Transit Center, a regional hub connecting 11 transit systems and serving as the future terminus for Caltrain and high-speed rail; and
- Streetscape improvements including widened sidewalks, bicycle facilities on Beale, Howard and Main Streets, and pedestrian-oriented alleys.

Within Zone One, a total of 2,196 residential units have been completed (unit construction is complete on Blocks 1, 6, 7, 8, 9 and 11a), 691 of which are affordable to low-income households. Another 335 units are under construction (Blocks 2 East and West). Additional housing units are planned for Block 4W (the subject of this RFP), Block 4E, and Block 12.

Construction is also complete on Salesforce Tower (Parcel T), which features 1.4 million square feet of office space and 10,600 square feet of retail, and on Park Tower (Block 5), which includes 767,000 square feet of office space and 8,642 square feet of retail.

## **2. Preference Holder Program**

As noted in Section I, creating housing opportunities for Preference Holders is OCII’s highest priority in the development of Block 4W. In the 1960s and 1970s, SFRA undertook activities as part of the federal urban renewal program that displaced a significant number of residents and businesses of color. The Preference Holder program, established under state law in 1969, provides priority to low- and moderate-income displaced persons in the leasing and sale of affordable housing assisted by the SFRA or OCII. Based on state law effective in 2022, the priority has been expanded to include direct descendants of displaced persons.

The Preference Holder Program applies to all OCII-assisted, affordable units and, with this Project OCII seeks to create attractive, high-quality housing in Transbay that meets Preference Holder needs.

## **3. Development Controls**

The Redevelopment Plan, adopted by the Board of Supervisors in June 2005, and which has been subsequently amended, establishes general land use controls, including types and intensities of development and public open space in the Project Area. The companion DCDG establishes detailed height, bulk, parking, street frontage and other design standards and guidelines to guide development within Zone One. The Streetscape and Open Space Concept Plan, approved in November of 2006 provides guidance for improvements to the public realm.

OCII anticipates new amendments to the DCDG and possibly the Redevelopment Plan to accommodate a maximum number of affordable units on the Site, pursuant to this RFP. The selected Applicant should be prepared to work closely with OCII to study and formalize any such amendments in the Schematic Design approval applications to the Commission. Only amendments to the Redevelopment Plan would require legislation approved by the City and County of San Francisco.

#### **4. Neighborhood and Transit Amenities**

The Transbay neighborhood is rich in amenities. There are numerous retail outlets within walking distance of Block 4W or reachable by a short bicycle or Muni ride. Woodlands Market, a pharmacy, post office, the Embarcadero YMCA, and several restaurants are located within half a mile of the Site. Target, Safeway, Trader Joe's, Whole Foods, and the Ferry Building farmer's market are located within one mile of the Site.

The Site is within a mile and a half of the Bessie Carmichael Elementary and Middle School campuses, Gordon J. Lau Elementary School, the Chinese Education Center, and John Yehall Chin Elementary School.

As previously noted, the Project Area will include over nine acres of new parks. The completed Salesforce Park is located half a block from the Site. The planned Block 3 Park will be directly south of the Site and Under Ramp Park will be located approximately two blocks west of the Site. The Guy Place Mini Park is located three blocks away, and the existing Rincon Park and adjacent San Francisco Bay Trail are two blocks from the Site.

Block 4W is well served by local and regional transit. The Site is located two blocks from the Salesforce Transit Center which provides regional transit as well as local bus connections to neighborhoods throughout San Francisco. Block 4W is also less than half a mile from the Embarcadero BART station and multiple Muni rail lines along Market Street and the Embarcadero.

The Project Area features significant bicycle infrastructure, with some bicycle lanes already completed (including dedicated east/west bicycle lanes on Folsom Street and temporary dedicated lanes on Howard Street), and additional planned improvements, specifically:

- **Beale Street:** A two-way cycle track is planned for the eastern portion of Beale Street as part of the Active Beale Street project running from Market Street to Folsom Street. Improvements will be completed in two phases: phase 1 between Market Street and Howard Street and phase 2 between Howard Street and Folsom Street. San Francisco Public Works ("SFPW") issued a bid package for construction of phase 1, with construction commencing in mid-2025. Phase 2 has been paused due to the construction activity on Transbay Block 2, and planned construction on Block 3 and the Site. SFPW expects that Phase 2 will commence following completion of the adjacent vertical projects along Beale Street. Please see the SFMTA project page for additional information and drawings: <https://www.sfmta.com/projects/active-beale-street>.
- **Howard Street:** A two-way cycle track is planned for the southern portion of Howard Street as part of the Transbay Howard Street Improvement Project. Plans were approved by the SFMTA Board of Directors in April 2024 and the start of construction is anticipated in late 2025. Please see the SFMTA project page for additional detail and drawings: <https://www.sfmta.com/projects/transbay-howard-streetscape-improvement-project>. As shown in the drawings, passenger loading is limited to the eastern portion of Block 4. Applicants should take note of this and consider it in determining potential locations for lobbies, trash rooms, etc. Plans for Howard Street improvements adjacent to Block 4 resulted from consideration of numerous needs, including the requisite turn radius for buses traveling west on Howard and turning left onto Beale Street. As such, Applicants will likely need to work within the constraints of the current design.
- **Main Street:** A one-way northbound protected bike lane is planned on the eastern side of Main Street, along with Muni transit boarding islands, as part of the Main Street Streetscape Project from Market Street to Folsom Street. Please see the SFMTA project page for additional detail and drawings: <https://www.sfmta.com/projects/main-street-streetscape-project>.

While the above-noted projects will greatly improve bicycle access and safety, they do create significant constraints for loading and other access to the Site. Applicants should consider this in their conceptual massing and note that the selected Applicant will be expected to coordinate with the San Francisco Municipal Transportation Agency ("SFMTA") and SFPW regarding design and construction logistics.

## **5. Citizens Advisory Committee**

The Transbay CAC is an advisory body comprised of residents, business owners, and representatives of community organizations in the Project Area that advises OCII on matters that affect design in Zone One. A member of the CAC will review proposals in response to this RFP and will participate in the evaluation panel. The recommended Applicant will present their proposal to the CAC prior to Commission action. The CAC will again review the selected design concept when the Project proceeds to seek Schematic Design approval.

## **6. California Environmental Quality Act/ National Environmental Protection Act**

On April 20, 2004, the SFRA Commission certified the Transbay Terminal / Caltrain Downtown Extension / Redevelopment Project Final Environmental Impact Statement / Environmental Impact Report (“FEIS/FEIR”), which evaluated the Redevelopment Plan. On January 25, 2005, the SFRA Commission adopted environmental findings under the California Environmental Quality Act (“CEQA”), a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program in connection with the adoption of the Redevelopment Plan. The Board of Supervisors, Planning Commission, and TJPA adopted similar findings.

There are ten addenda to the FEIS/FEIR. Addendum 1 (2006) evaluated modifications to the Transbay Transit Center design and revisions to the temporary terminal site plan. Addendum 2 (2007) evaluated modifications of the rail tracks and underground tunnels leading to the Transbay Terminal. Addendum 3 (2008) evaluated adding 546 Howard Street to the list of properties identified for full acquisition. Addendum 4 (2008) evaluated the configuration and design elements of the temporary terminal. Addendum 5 (2009) evaluated the exterior façade and pedestrian bridge elements of the Transbay Transit Center. Addendum 6 (2011) evaluated bus exit and ramp design refinements for connections from Interstate 80 to the Transbay Transit Center. Addendum 7 (2013) evaluated refinements to the relocation of Golden Gate Transit’s mid-day bus parking facility. Addendum 8 (2016) assessed an increase in the maximum height limit on Block 1 from 300 to 400 feet. Addendum 9 (2022) assessed an increase in the maximum height limit on Block 4 from 450 feet to 513 feet and an increase in the maximum floor plate sizes on Block 4. Certain actions described in Addendum 9 were conditionally approved by the Commission but none were adopted by the Board of Supervisors so the actions conditionally approved by the Commission are not in effect. Addendum 10 (2022) evaluated modifications to height and bulk restrictions and setback requirements applicable to Block 2.

The selected Applicant will be responsible for securing any additional environmental review approval under CEQA and the National Environmental Protection Act (“NEPA”), if necessary.

The selected team will work with the Department of Public Health, the San Francisco Bay Regional Water Quality Control Board, the Bay Area Air Quality Management District, other entities, and OCII staff to ensure that the environmental mitigation measures applicable to Block 4W are appropriately documented and implemented.

## **7. Additional Environmental Reports for the Transbay Area**

OCII has four earlier environmental reports for the Transbay area (available upon request):

- Tar Flat 19<sup>th</sup> Century Solutions, 20<sup>th</sup> Century Hazards, Caltrans SF-480 Terminal Separation Rebuild, Study of Historic Potential Hazardous Material Sites, 1993
- Site Investigation Report, San Francisco-Oakland Bay Bridge West Approach Project Including Transbay Terminal Loop, 1999
- Preliminary Report on the Potential Locations of Buried Archaeological Resources and Non-archaeological Obstructions at the Project Site for the OCII Transbay Park and Alleys Project in the City of San Francisco, California, 2020
- Phase I Environmental Site Assessment Report, Transbay Block 2, 2023

Footings associated with the 20<sup>th</sup> century Transbay Terminal transit viaduct and the elevated Embarcadero Freeway are present within the Site and the Tehama Site and will likely need to be moved, subject to requisite approvals and permits. The selected Applicant should expect to engage an archaeologist to study the Site during predevelopment

and prepare an addendum to the Transbay Archaeological Research Design and Treatment Plan describing the specific history of the Site and establishing an appropriate archaeological testing program.

## **8. Soil Conditions**

According to Figure 4.8-1 of the FEIS/FEIR, the Site is located on the bay side of the historic circa 1848 shoreline. Soils on the Site may generally be characterized by the presence of soft and compressible Bay Mud under the surficial fill placed when the area was reclaimed in the late 1800s or early 1900s. The depth of these sediments varies substantially, as do fill materials, which may include clay, dune sand, rubble, building demolition debris, buried ships, and other materials.

Developers should incorporate the cost of appropriate structural systems in their proposed Sources and Uses Budgets. The selected Applicant will need to conduct its own geotechnical investigations specific to the Site.

## **B. The Site, Tehama Site & Transfer of Ownership**

The Site is a portion of Assessor's Block 3739, Lot 010. The Site is a gently sloped, rectangular, approximately 26,400-square-foot lot with frontages as follows: 160 feet along Howard Street and the planned extension of Tehama Street, and 165 feet along Beale Street and the planned property line for the adjacent eastern portion of Block 4 (see Site survey included herein as Attachment 25). The Tehama Site (Assessor's Block 3739, Lot 011) is a flat, rectangular, approximately 11,000-square-foot lot with frontages as follows: 275.01 feet along the northern boundary of Block 3739, Lot 012 ("Block 3") and the southern boundary of the Site, and 40 feet along Beale Street and Main Street.

Until 2019, the Site, the Tehama Site, and Block 3 were used as the temporary Transbay Terminal and Greyhound station. These uses have been relocated to the Salesforce Transit Center. In 2021, OCII took ownership of the former temporary Transbay Terminal site. Since 2021, East Cut Landing Partners ("ECLP") has managed, maintained, and operated a publicly accessible interim activation program at the Site (the Crossing at East Cut, or the "Crossing"), the Tehama Site, and Block 3 pursuant to a Permit to Enter and Agreement to Activate and Manage between OCII and ECLP (the "ECLP PTE"). During the predevelopment phase of the Project, the selected Developer(s) may access the Site and the Tehama Site, with OCII's permission, to perform predevelopment activities including, without limitation, geotechnical or soil borings with reasonable notice to ECLP. At the close of construction financing for the Project, the ECLP PTE will terminate as to the Site and the Tehama Site. OCII will convey the Site to the selected Developer(s) in an "as is" condition through a long-term ground or air rights lease (or leases). Ownership of the Tehama Site will remain under OCII. Prior to the start of construction of the Tehama Improvements, OCII and the selected Developer(s) will enter into a permit to enter, short term ground lease, or other similar document for the Tehama Site. The interim activation program at Block 3 is expected to continue pursuant to the ECLP PTE, until construction of the planned Block 3 Park begins.

Once the Project is constructed and occupied, OCII will transfer the lease(s) and the underlying land, against which the lease(s) will be recorded, to MOHCD as the Housing Successor pursuant to Redevelopment Dissolution Law. Assuming the Applicant will require site control in order to access certain funding sources, OCII will enter into an appropriate agreement with the Applicant in order to meet the site control requirements of the approved potential funding source(s). Once the Tehama Improvements have been constructed, the City process for acceptance of the Tehama Site and Tehama Improvements will be initiated for City ownership and ongoing maintenance.

An address for the Site has not yet been determined.

## **SECTION IV. DEVELOPMENT PROGRAM**

### **A. Housing Development Concept**

OCII's goal for the Site is to maximize affordable housing units with amenities thoughtfully designed to serve a variety of household types. Meeting the housing needs of Preference Holders and maximizing Preference Holder occupancy is a top priority in the development of this Site. The Project will be presented in a high quality, livable

design based on Design for Development and DCDG standards, and will serve low-income families and seniors, as well as families and seniors experiencing homelessness (units serving households experiencing homelessness are referred to herein as “permanent supportive housing” or “PSH”). The inclusion of PSH units is subject to the availability of LOSP or a comparable rental or operating subsidy.

Applicants should carefully consider and describe the proposed configuration of the Family Project and Senior Project and recommend a configuration that best utilizes the Site, adheres to the urban design intent of the DCDG, and optimizes building functionality and operations. Applicants should identify opportunities to reduce redundancy by sharing structural components, building systems, common areas and/or other physical elements to the greatest extent possible under regulatory and funding requirements. The ground floor should include a public benefit/community-serving commercial space at the corner of Howard Street and Beale Street, residential entries and lobbies, and townhome-style units or stacked flats (with individual unit entries and stoops) along Tehama Street.

The future commercial use should serve the needs of building residents as well as the surrounding community consistent with MOHCD Commercial Space Underwriting Guidelines. Applicants must target commercial tenant outreach to locally owned small businesses, in collaboration with the San Francisco Office of Economic and Workforce Development (“OEWD”) and/or non-profit organizations that provide resources and assistance to local start-ups and entrepreneurs. Applicants should also consult the East Cut Community Benefit District (“ECCBD”), which tracks the mix of commercial uses in the East Cut neighborhood, as to the neighborhood’s commercial deficiencies. The selected Applicant will be expected to initiate this outreach early in predevelopment and utilize relevant feedback to inform the design.

Development shall comply with this RFP, the requirements of the Redevelopment Plan and related documents, and all other applicable federal, state and local regulations, but may propose amendments to one or more of these requirements to achieve OCII’s goals of maximizing affordable housing and achieving good urban design. Working within these parameters, the Applicant may use some discretion regarding unit count, unit sizes, and building layouts provided that the Project is suitable for senior and family housing and the other uses described herein.

The below table summarizes the OCII programming guidelines for the Site and Tehama Site:

Program Element	Requirements
Target Populations	<ul style="list-style-type: none"> <li>• Families               <ul style="list-style-type: none"> <li>○ Low-income families at a range of income levels</li> <li>○ Approximately 20% of family units set aside for families experiencing homelessness</li> </ul> </li> <li>• Seniors               <ul style="list-style-type: none"> <li>○ Low-income seniors at a range of income levels</li> <li>○ Approximately 20% of senior units set aside for senior individuals/ households experiencing homelessness</li> </ul> </li> <li>• For both family and senior units, Applicants may propose tiered income levels up to 60% MOHCD AMI, however, the average AMI must be at or below 50% MOHCD AMI.</li> <li>• Income tiers for all units should be targeted to meet the needs of Preference Holders, and should thus include very low and extremely low AMI units that are not restricted as PSH.</li> </ul>
Units	<ul style="list-style-type: none"> <li>• Approximately 300 to 325 total units</li> <li>• Family units (approximately 175 to 200):               <ul style="list-style-type: none"> <li>○ 25% 1-bedroom/1-bathroom, minimum of 550 net square feet</li> <li>○ 50% 2-bedroom/1 or 1.5 bathroom, minimum of 850 net square feet</li> <li>○ 25% 3-bedroom/1.5 or 2 bathroom, minimum of 1,100 net square feet</li> </ul> </li> <li>• Senior units (approximately 125 to 150):</li> </ul>

	<ul style="list-style-type: none"> <li>○ 90% 1-bedroom/1-bathroom units, minimum of 550 net square feet</li> <li>○ 10% studio/1-bathroom units, minimum of 425 net square feet</li> </ul>
PSH Units	<ul style="list-style-type: none"> <li>• Tenants will be referred to the Site by HSH, prioritized by need/vulnerability and length of homelessness, based on the parameters of the City’s Coordinated Entry process</li> <li>• Unit sizes should match overall unit size mix as described above</li> <li>• Assume that units will be supported by the Local Operating Subsidy Program (“LOSP”) and a services contract with HSH</li> <li>• OCII may, at its discretion, require that the Applicant increase, decrease or eliminate the percentage of units set aside for formerly homeless households. The final number/percentage will be determined based on appropriate staffing ratios, overall financial feasibility for both the Senior Project and Family Project, and availability of operating subsidies and services funding.</li> </ul>
Senior-Serving Units	<ul style="list-style-type: none"> <li>• The Senior Project “must be designed to meet the physical and social needs of seniors.” California Civil Code § 51.2 (d); Government Code § 12955.9 (b) (2)</li> <li>• Senior Project units and facilities should incorporate design features to accommodate ease of use and aging in place</li> </ul>
Interior Services and Management Space	<ul style="list-style-type: none"> <li>• Desk staff at main residential entrances</li> <li>• Dedicated, private offices for property management and support services staff with adequate room for storage of client records and seating for one-on-one sessions</li> <li>• Storage space for supplies, replacement furnishings, and program materials</li> </ul>
Common Spaces/Amenities	<ul style="list-style-type: none"> <li>• At least one common area/community room/multi-purpose room each for the Family and Senior Projects, with adjacent or incorporated kitchen</li> <li>• Varied spaces that allow for both active programming and passive use</li> <li>• Include spaces tailored to meet resident needs at various life stages (for example, remote work rooms, homework rooms, children’s playrooms, teen spaces, lounges, or fitness rooms).</li> <li>• At least one laundry room each for the Family Project and the Senior Project with the correct ratio of machines to number of units</li> <li>• Outdoor open spaces designed to serve the tenant populations, in accordance with the standards described in Section IV.C below</li> </ul>
Commercial Space	<ul style="list-style-type: none"> <li>• Ground floor commercial is required on Howard Street at Beale Street in compliance with the DCDG.</li> <li>• Commercial use should be neighborhood-serving and tenant outreach should be targeted to locally owned enterprises and start-ups.</li> <li>• The spaces should provide the appropriate infrastructure to facilitate food-related uses, such as a small grocer or shop offering prepared foods.</li> <li>• Built to warm shell condition (per MOCHD Commercial Underwriting Guidelines for community/public benefit uses).</li> </ul>
Streetscapes, Sidewalks	<ul style="list-style-type: none"> <li>• Design and construct adjacent sidewalks and streetscape elements along Howard Street, Beale Street, and Tehama Street. In accordance with the Streetscape and Open Space Concept Plan, such elements include, but are not limited to, pedestrian lighting, street trees, bike racks, and street furniture.</li> </ul>
Parking (Vehicle and Bicycle)	<ul style="list-style-type: none"> <li>• For proposal purposes, the massing concept and residential project cost estimates modeled in the pro forma should assume that no resident parking is provided. However, Applicants are asked to provide a strategy for resident transportation and mobility and include preliminary cost estimates associated with any proposed strategies, including on-site parking.</li> </ul>

	<ul style="list-style-type: none"> <li>• Early in predevelopment, the selected Applicant will be asked to study the costs and benefits of a full or partial underground level to provide residential parking. The selected Applicant will collaborate with OCII to assess physical feasibility and identify creative financing strategies.</li> <li>• Class I bicycle parking spaces at a 1:1 ratio for family units (consider a design that also accommodates stroller parking) and approximately 1:5 for senior units (Applicants may choose to adjust this suggested ratio for senior units if accompanied by an explanation based on operational experience).</li> </ul>
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Applicants should determine and describe the optimal construction type for the Site to meet the programming, design, and cost containment requirements of this RFP. To the extent possible, variations in floor plates should be minimized and unit sizes and layouts should be consistent and stacked. The narrative should describe efficiencies contemplated in the proposed design.

The selected Applicant must possess the qualifications and experience to implement a financially sound development plan to construct and operate the housing and achieve a high-quality design with amenities that enhance unit livability.

Please refer to Section IV.F and G below for zoning and land use restrictions. OCII reserves the right to select an Applicant and require significant redesign. OCII further reserves the right to change the scope of the development program and/or require changes to the building design and unit configuration as it deems appropriate. As described in Section IV.C below, in furtherance of City objectives to increase affordable housing and to address the Transbay Housing Obligation, OCII anticipates rezoning Block 4W to modify heights and/or bulk standards on one or more portions of the Site, subject to further studies and requisite approvals, following Applicant selection.

***Alternative Development Scenario: Single Building***

While the base program for purposes of this RFP submittal includes both a Family Project and Senior Project as described above and throughout this RFP, OCII recognizes that this scheme is subject to a number of constraints including the overall Site size/dimensions, the need for duplicate vertical circulation and utilities, building code requirements such as a drift space allowance between buildings and fire rated windows on building faces in close proximity, limited space/locations for loading, competitive financing considerations, and adjacency to a planned residential tower on Block 4E.

Applicants are thus asked to assess the merits and drawbacks of a single building approach, utilizing only a portion of the Site. The selected Applicant will be expected to work closely with OCII staff to determine a development approach for the Site that balances numerous goals.

As described in Section VI.A.2, the alternative development scenario analysis should include:

- Approximate unit count for a single building;
- Approximate square footage of site to accommodate the potential unit count;
- Pros and cons to a single building approach including (but not limited to): financial feasibility, effect on per-unit cost, property management and operations, constructability, livability and quality of resident experience,

Applicants should assume that a single affordable building would serve families (including family PSH units) and be located on the westernmost side of the site along Beale Street between Howard and Tehama. The dimensions of the site are to be determined but would be informed by existing parcel dimensions set forth in the DCDG. Assume that the Block 4 Open Space Parcel would not be included in your submittal in the single building scenario.

**1. Target Populations**

As previously noted, Block 4W will provide affordable housing serving low-income households in separate facilities for a Family Project and a Senior Project. In both the Family Project and Senior Project, assume that 20% of units

will be PSH (exact number of units/percentages subject to review by OCII and HSH). Housing Preference Holders is of the highest priority in both the Family and Senior Projects. Additional information regarding preferences for resident selection (for all but the homeless units) is described in Section IV.E below.

### ***Low-Income Families***

According to San Francisco's 2022 Housing Element, the City is home to a diverse range of family and household structures including multigenerational families, LGBTQ+ families, single parents, roommate living, artist co-ops, single-person households, couples, or families with multiple children among many others. The Housing Element notes that households with children are having an increasingly hard time staying in San Francisco and they are experiencing high rates of overcrowding as well. Other household types are also experiencing overcrowding: many have been doubling or tripling up to live in the City as roommates or related adults because they cannot find housing that is within their financial reach and meets their needs.

Units in the Family Project should be designed to accommodate persons of all ages in a wide variety of household configurations. Units and amenities should incorporate best practices in urban multi-family housing and designs should incorporate feedback from experienced project managers and operations staff.

### ***Low-Income Seniors***

According to San Francisco's 2022 Housing Element, the City's older residents, those 65 years and older, will grow more than any other age segment over the coming years, accounting for approximately 24% of the San Francisco population by 2040 (seniors were 16% of the population in 2018, according to the U.S. Census American Community Survey and a 2040 projection by the Association of Bay Area Governments). The Housing Element further notes that nearly 70% of senior renters in San Francisco are very low-income (earning 50% or less of AMI) or extremely low-income (earning 30% or less of AMI). The City and County's 2020-2024 Consolidated Plan further notes that "San Francisco's older adult population is predominantly female, persons of color, immigrants, speak a primary language other than English, and the lowest income seniors are concentrated in particular neighborhoods such as Chinatown, South of Market, and the Tenderloin." In addition to housing, many seniors are in need of transportation to medical appointments and grocery shopping, in-home supportive services, and recreational programs.

Senior housing units should emphasize accessibility, assuming that a large portion of residents will have a mobility impairment and many may have vision or hearing impairments. Design and programming of the services and community spaces are integral to the success of the Project and should be inviting and offer a variety of well-placed public and private spaces to ensure residents' comfort seeking assistance and facilitate opportunities for community building.

### ***Senior and Family Households Experiencing Homelessness***

Approximately 20% of both family and senior units will be set-aside for formerly homeless individuals/households. These units are essential in addressing the City's homelessness crisis. The need for permanent supportive housing units is described in HSH's strategic framework, titled "Home by the Bay" (2023-2028), the City's 2022 Housing Element, and MOHCD's 2020-2040 Consolidated Plan.

Applicants for PSH units will be referred to the Project by HSH through the Coordinated Entry process. The Coordinated Entry process serves as a standardized screening, intake, and assessment tool that is used to determine the specific needs of homeless persons and their eligibility for available programs and interventions. It is intended to serve as a referral resource to match households to the most appropriate resources. Applicants should assume that referred prospective tenants will be in need of intensive support as further described in Section IV.F below. All referred applicants will be persons or households experiencing homelessness in San Francisco.

PSH tenants will contribute 30% of their income toward rent. The difference between the tenant contribution and the cost to operate the unit will be covered by LOSP. Applicants should refer to the San Francisco LOSP Policies and Procedures Manual for additional information.

## B. Land Use Restrictions

The land use controls of the Redevelopment Plan apply to Block 4W, and its development is subject to the review and approval of OCII, which has sole land use authority over Zone One of the Project Area. The Redevelopment Plan, Design for Development, and DCDG for the Transbay Redevelopment Project are available on OCII's website at <http://sfocii.org/transbay>. Because the Project is located within a redevelopment area, these Transbay redevelopment documents replace the City's zoning regulations.

The requirements include, but are not limited to, the following categories: height/bulk, open space, parking, off-street loading, bicycle parking, setbacks, signage, and utilities.

As previously noted, OCII may consider rezoning Block 4W to increase the height on one or more portions of the Site and may support other deviations from development standards as necessary to facilitate the delivery of a high quality Project. Any change to the development controls is subject to further studies, community outreach, environmental review determinations, and consideration and approval by the Commission. If a change requires a Redevelopment Plan amendment, the change would require approval from the Commission and the San Francisco Board of Supervisors. Applicants should address their approach in addressing the potential zoning changes and similar actions in their submittal.

## C. Design & Construction

OCII requires excellence in architectural design and physical acknowledgement, through the highest design and construction standards, of the Site's prominent location in a high-density, newly developed, master-planned, mixed-use neighborhood. In addition to offering highly functional residential spaces, the Project's design must serve to frame the future Block 3 Park, activate the streets through a thoughtful ground floor design, and feature a contextual design that responds to the surrounding architecture both existing and projected.

The Design for Development allows for the maximum amount of creativity from the Applicant by identifying basic standards and guidelines, such as height and bulk, but otherwise relying primarily on design guidelines to direct the rest of the building design. Please refer to the DCDG and Design for Development comprehensive design standards and guidelines.

Along with review for compliance with Project Area standards, designs will be subject to review for cost containment, constructability, and overall efficiency based on best practices from OCII and MOHCD residential projects.

Building Envelope and Design	OCII Requirements
Building Heights	<p>Refer to DCDG Map 5 for the current building height plan:</p> <ul style="list-style-type: none"> <li>• Townhouse (along Tehama St.): minimum 35', maximum 50' (maximum of 4 floors)</li> <li>• Podium 1 (along Beale St.): minimum 40, maximum 65' (maximum of 6 floors)</li> <li>• Podium 2: minimum 50', maximum 85' (maximum of 8 floors)</li> </ul> <p>OCII acknowledges that achieving the target unit count is not feasible within these height limitations and expects that heights of up to 240' may be appropriate for the Site. Applicants should carefully consider anticipated building heights and configurations, and explain rationale for the proposed massing. While deviations from the DCDG maximum heights are expected, Applicants should adhere to the urban design intent of the original DCDG and the Design for Development. This would include a reduced height of up to approximately 75 feet along Tehama Street to achieve a neighborhood scale framing the future Transbay Block 3 Park. To facilitate appropriate tower separations, a maximum height of 85 feet would be applied to portions of buildings closest to the Block 4E Tower Parcel away from Tehama Street. These height restrictions would only apply within approximately 30 feet from the Tehama Street property line first, and second,</p>

	<p>within approximately 30 feet from the interior property line dividing Block 4E and Block 4W. One specific goal of these restrictions would be to achieve a 50-foot minimum tower separation above 85 feet between any Block 4W towers and a future tower on 4E (See Attachment 22 for a hypothetical Block 4E market-rate tower extrusion).</p>
Parcel Locations/ Dimensions	<p>Refer to DCDG Map 3 for the parcel dimension plan. The DCDG establishes buildable areas within blocks as “parcels” based on building type/height as noted above. Parcel dimensions are as follows:</p> <ul style="list-style-type: none"> <li>• Townhouse parcel (along Tehama St.): 160’ x 40’</li> <li>• Podium 1 parcel (along Beale St.): 125’ x 75’</li> <li>• Podium 2 parcel (along Howard St.): 85’ x 75’</li> <li>• Open Space parcel: 85’ x 50’</li> </ul> <p>OCII acknowledges that parcel dimensions may need to be revised to improve building efficiency and operational feasibility for the Project. Applicants should study the existing parcel plan and, if deviations are proposed, provide an acknowledgement and explanation for the deviation in the design submittal narrative. While the location of the Open Space Parcel can shift, its dimensions should be maintained at 85’ x 50’, at a minimum. OCII will consider the impact of any proposed parcel plan deviations with the selected Applicant.</p>
Setbacks	<p>Refer to DCDG Map 4 for the setback plan:</p> <ul style="list-style-type: none"> <li>• Howard St.: 8’ to 10’ townhouse setback (beginning 40’ to 60’ from Beale St. corner)</li> <li>• Beale St.: 8’ to 10’ townhouse setback (beginning 40’ to 60’ from Howard St. corner)</li> <li>• Tehama St.: 6’ to 8’ townhouse setback</li> </ul> <p>While the DCDG does not contemplate a setback from the eastern property line (adjacent to Block 4E), Applicants should consider setting the building face back, to the extent feasible, approximately 5’ to 15’ from the property line to allow separation from the planned residential tower on Block 4E.</p> <p>The DCDG requires ground-floor residential units on the indicated townhouse setback portions of Howard and Beale Streets. While the original intent was to locate ground-floor residential units on portions of Howard and Beale Streets to enhance the linear park concept, adjacent blocks have developed at a higher density than originally anticipated. There is now precedent for locating more active and building supporting ground-floor uses such as retail or community amenity spaces at those locations. OCII would support a variance from the residential requirement along Howard and Beale Streets, as well as a change to the minimum setback requirement, if the project design demonstrates high-quality pedestrian realm design and consistency with the urban form of the surrounding neighborhood. Consistent with the Design for Development and the DCDG, ground floor residential units, accessed by stoops, are desired along Tehama Street to frame and activate Transbay Block 3 Park. These stoops will require the setback range stated above (see Townhouse Design below for additional information on stoops.)</p>
Lot Coverage/ Floorplate Dimensions	<p>Bulk controls do not apply to residential buildings below 85’. However, should Applicants propose heights in excess of the current DCDG requirements, Applicants should note that the following bulk controls apply for buildings 85’ to 250’ height:</p> <ul style="list-style-type: none"> <li>• Maximum floorplate: 7,500 square feet</li> <li>• Maximum plan dimension: 100’</li> <li>• Maximum floorplate aspect ratio: 1:1.6</li> </ul> <p>OCII acknowledges that the maximum floorplate limit and other controls may inhibit construction efficiency and thus overall financial feasibility. OCII may support a deviation from this standard, however, Applicants should note that an increase to the maximum floorplate is subject to Redevelopment Plan amendment approvals (including hearings</p>

	at the Commission, Planning Commission, and Board of Supervisors). OCII makes no representation that such approvals will be granted.
Street Wall	<ul style="list-style-type: none"> <li>• All buildings should define a consistent street wall framing public streets, required setbacks excepted.</li> <li>• Buildings with façade lengths greater than 100' along a side must use modulation and/or façade articulation to create a finer grained street wall. However, excessive modulation and articulation is discouraged for cost containment purposes.</li> </ul>
Pedestrian Access	<ul style="list-style-type: none"> <li>• Primary building entrances and lobbies may be located on Howard St., Beale St., or Tehama St. Lobbies should be prominent, inviting, and provide visual interest.</li> <li>• Along townhouse setback frontages, buildings are to be designed with individually accessible residential units, via stoops. See notes above in Setbacks and below in Townhouse Design.</li> <li>• Passenger loading on Howard St. and Beale St. will be constrained by adjacent cycle tracks. Applicants should consider this when proposing building access points.</li> </ul>
Semi-Private Common Open Space	<ul style="list-style-type: none"> <li>• Ground-level central courtyard (open space parcel), with shared access between the Family and Senior Project.</li> <li>• 16 square feet of open space per residential unit (this is in addition to the ground-level courtyard); can be met through any combination of shared rooftop gardens, podium level decks, solariums, or other landscaped areas, separate from the Open Space Parcel (see pp. 34 and 35 of the DCDG).</li> <li>• Open space areas, including the Open Space Parcel, must meet the dimensional requirements of the DCDG.</li> <li>• Design should attempt to maximize sunlight exposure to open spaces, particularly seating areas or other passive recreation spaces.</li> </ul>
Townhouse Design	<ul style="list-style-type: none"> <li>• First floor of townhouse units must be elevated between 2' and 5' above street grade; an elevation of 4' to 5' is preferred</li> <li>• Flats are preferable to units with internal stairs. Refer to the DCDG for additional design specifications</li> </ul>
Retail Design	<ul style="list-style-type: none"> <li>• Minimum depth of 30'.</li> <li>• Recommend corner entry</li> </ul>
Code Compliance and Green Building	<ul style="list-style-type: none"> <li>• Compliance with San Francisco Building Code and Administrative Bulletin AB-093</li> <li>• Compliance with San Francisco Planning Department Standards for Bird-Safe Buildings adopted July 14, 2011</li> <li>• Equivalent of LEED "Gold" rating or Green Point Rating of 125 or higher</li> </ul>
Utilities & Building Services	<ul style="list-style-type: none"> <li>• All garbage and recycling facilities must be located fully within each building, and must meet Recology pick-up requirements</li> <li>• Assume that garbage/recycling pick-up will not take place on Howard St.</li> <li>• Minimize blank walls and utility frontages</li> </ul>
Vehicular Access & Loading	<ul style="list-style-type: none"> <li>• No off-street loading facilities are required for residential development of less than 100,000 square feet; one space is requirement for 100,001 to 200,000 square feet; two spaces for 200,001 to 500,000 square feet</li> <li>• Loading access and locations will require careful consideration and coordination with OCII and City agencies due to the planned cycle tracks adjacent to the Site along Beale St. and Howard St. Applicants should note that OCII worked with SFMTA and SFPW to plan a curb cut on Beale St. to accommodate loading and trash needs for the Site. The approximate location of the curb cut is shown in a diagram of Beale St. improvements in Attachment 24. Due to the required geometry of the planned two-way</li> </ul>

	cycle track along Beale Street between Howard Street and Tehama Street, SFMTA will only permit the one curb cut along Beale Street.
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## 1. **Surrounding Uses**

Design should pay particular attention to the existing built environment. The Site is/will be surrounded by a mix of uses, including:

- Block 4E – The remainder of Block 4 is zoned for a residential tower project ranging in height from 350' to 450'. Applicants are advised that the development program will be determined by OCII and is subject to change from the approved zoning. Designs for Block 4W should assume the close proximity of an adjacent residential tower with underground parking and loading along the Site's eastern property line. Applicants may assume that Block 4E will include a ground floor separation that will provide the required visual and physical access to the Open Space Parcel (see Attachment 22).
- 250 Howard (Block 5, to the north) – "Park Tower" is a 45-story (550') office tower completed in 2018. The building includes ground floor retail along Beale Street (coffee retailer, "Blue Bottle"). Block 3 Park (to the south) – OCII will sponsor the design and construction of a future public park on Block 3. The park encompasses approximately one acre and may include various program elements such as a plaza, a children's play element, active sports courts/fields, or green spaces. Block 3, along with the Site and Tehama Site are currently activated by an interim use featuring food and beverage vendors, small retail, pickleball, soccer, movie screenings, and community events.
- 301 Howard Street (to the west) – a 23-story class A office tower completed in the 1980s. The building features a mix of commercial tenants as well as a ground floor retail space at the corner of Howard and Beale (coffee and juice outlet retailer, "Joe & the Juice").
- Transbay Blocks 2 East and 2 West (to the south, beyond the Block 3 Park) – Two 100% affordable, OCII-sponsored rental housing buildings sponsored by Mercy Housing (2 East) and Chinatown Community Development Center (2 West). Block 2 East will feature 184-units of family housing, a childcare facility, and two ground-floor retail spaces in a 17-story building. Block 2 West will feature 151 units of senior housing and three ground-floor retail spaces in a 9-story building. Both projects began construction in 2024 and are expected to be completed in 2026. Schematic design drawings are available to Applicant teams for reference upon request.

## 2. **Green Design Guidelines**

Improvements must meet San Francisco Building Code and Administrative Bulletin AB-093 and constructed to the equivalent of a Green Point Rated standard of 125 or LEED Gold rating. In addition, OCII seeks to maximize the overall sustainability of the Project to the extent possible through the integrated use of "green" building elements. Building features considered green or sustainable may include natural ventilation, daylighting, water conservation, and use of resource efficient and healthy building materials.

## 3. **Priority Permit Processing**

Pursuant to San Francisco Department of Building Inspection ("DBI") policy, this project qualifies as a designated priority permit because all of the units are affordable. The Applicant should become familiar with the priority permit procedures to ensure that DBI permits are reviewed expeditiously.

## D. **Affordability Restrictions & Financing Plan**

All proposed financing will be subject to underwriting using the most current version of OCII/MOHCD Underwriting Guidelines and MOHCD policies. Applicants should use these guidelines and policies in preparing their financing plans. The documents are linked below and are available on the MOHCD website at <http://sfmohcd.org/documents-reports-and-forms> and <http://sfmohcd.org/asset-management-multifamily-rental-housing>:

- [Underwriting Guidelines](#)
- [Residual Receipts](#)
- [Operating Fees](#)
- [Ground Lease](#)
- [Tax Credit Developer Fee](#)
- [Architecture and Engineering Fees](#)
- [Commercial Underwriting Guidelines](#)
- [LOSP Policies and Procedures Manual](#)

OCII's goal is that Block 4W remain permanently affordable and thus affordability covenants and restrictions will generally not be subordinated. To ensure this outcome, OCII will transfer Site control to the selected Developers through long-term ground or air rights leases (with initial terms of 55-75 years). Following conversion to permanent financing, OCII will transfer its interests to MOHCD as the Housing Successor. The development program for the Site is in furtherance of the goals described in MOHCD's Consolidated Plan (2020-2024).

Applicants should submit, as further described in Section VI.A, a financial plan that demonstrates feasibility for both the Senior and Family Projects. Limited OCII resources may be available to assist in the development of the Projects; however, the Applicant will be expected to aggressively pursue non-OCII sources of development financing. Submittals will be evaluated, in part, based on the level of OCII subsidy required and the extent to which these funds are leveraged to obtain non-OCII sources. Applicants must account for all costs of development, including supplementary environmental remediation, if any; the Tehama Street extension, streetscape improvements, sidewalks, utility connections, and site work; demolition, grading and shoring; and all permitting and applicable City or other fees. To provide this information, Applicants must complete the OCII/MOHCD Sources and Uses Budget and include the following:

- **Primary capital funding sources.** Sources should consist of currently available sources, including but not limited to:
  - Low-income housing tax credits with tax-exempt bonds (9% credits from the regional pool will NOT be available to this project);
  - Federal Home Loan Bank Affordable Housing Program funds;
  - California Department of Housing and Community Development ("HCD") Multifamily Housing Program, Affordable Housing and Sustainable Communities, Infill Infrastructure Grant, or other HCD funding that may become available;
  - OCII subsidies; and
  - Any other funding that Applicants deem appropriate and feasible.

Applicants should include an explanation of why the projects would be competitive for the various funding sources assumed and, if any sources were not assumed, why they were deemed inappropriate for the project in the financing narrative. The narrative should also describe assumptions such as tax credit pricing, state and federal credits, and amount of subsidy requested should be included for each funding source.

- **Rents.** OCII agreements will require that rents be set at an amount that is affordable to households earning up to 60% of AMI established annually by MOHCD, with an average rent/AMI at or below 50%. OCII encourages Applicants to describe anticipated market needs and propose an appropriate range of rent levels, specific to the Senior Project and Family Project. Restrictions based on the requirements of other Project funders may be allowed, however those restrictions may not be lower than 25% AMI and must include some units at 30% AMI.
- **LOSP.** Applicants should assume that the PSH units will receive funding support from LOSP, through 15-year contracts with MOHCD. Assume that tenants in these units will contribute \$250 per month for rent and that the difference between the tenant contribution and unit operating cost will be covered by LOSP. This assumption

is for purposes of financial modeling only and is subject to revision after an Applicant has been selected. Note that debt service cannot be paid for by LOSP, except for minimal mandatory annual interest payments for below market rate state financing covered by the Uniform Multifamily Regulations (such as MHP and AHSC). LOSP will cover required fees such as partnership and asset management fees and the limited partnership asset management fee, pursuant to MOHCD's Operating Fees Policy. Note that while this proposal should assume LOSP funding, Applicants may be required to apply for other subsidies such as (but not limited to) Continuum of Care to support these units in one or both projects.

- **Operating Subsidies.** For proposal purposes, Applicants should NOT include other rent or operating subsidies, including but not limited to: the San Francisco Senior Operating Subsidy, Faircloth to RAD, or project-based housing choice vouchers. OCII will work closely with the selected Developers and MOHCD to determine identify the type and quantity of such subsidies, if any, during predevelopment.
- **Operating budgets.** Provide separate operating budgets for the Senior and Family Projects that include all expenses necessary to properly operate and maintain the buildings, including front desk coverage and resident coordinators, but that exclude support services (i.e. case management). Costs associated with the ongoing maintenance of shared open space courtyard should be split between the Senior and Family Projects. It should be noted that all building owners, including owners of affordable housing projects, are required to pay annual assessments to the ECCBD for the services it provides throughout the East Cut neighborhood. Applicants should factor these assessments into their proposed operating budgets for the Senior and Family Projects. Applicants should refer to the ECCBD's Management Plan for information about calculating the anticipated assessments. The ECCBD Management Plan can be found here: [https://www.dropbox.com/scl/fi/keccmvxqre3wkatx8y718/Management-Plan\\_The-East-Cut-Cover-Page.pdf?rlkey=gg3lwmqkf7x2cznormr0mvhb&e=1&dl=0](https://www.dropbox.com/scl/fi/keccmvxqre3wkatx8y718/Management-Plan_The-East-Cut-Cover-Page.pdf?rlkey=gg3lwmqkf7x2cznormr0mvhb&e=1&dl=0)
- **Services budgets.** Provide separate services budgets for the Senior and Family Projects that include services staffing information (number of staff full-time equivalents ("FTEs"), type of services staff, roles of services staff) and identify potential services funding sources. Please see Section IV.D, below, for further information regarding required resident services. While services funding from HSH will be made available for these Projects, as noted below, Applicants are encouraged to leverage local services funding with other services funding sources.
- **HSH services support.** Applicants should assume for proposal purposes that HSH will provide \$212,590 in annual services for 30 units for seniors experiencing homelessness and \$554,023 in annual services funding for 40 units for families experiencing homelessness. Assume case management at a ratio of one FTE for every 25 residents for senior PSH units and a ratio of one FTE for every 20 households for family PSH units.
- **Construction.** Applicants must describe the anticipated construction type and provide detailed construction cost estimates. Applicants should assume a construction commencement date of January 2028 and should identify escalation assumptions consistent with this timeframe.
- **Streetscape maintenance.** The ECCBD will maintain certain aspects of the sidewalks on Tehama Street, Beale Street, and Main Street for an initial 15-year period which began on January 1, 2016. The CBD will maintain landscaping in the public right of way (except trees, which are the responsibility of SFPW), sweep and wash sidewalks, and clean street furniture. After the initial 15-year period, this may be extended or this responsibility may transfer to the affordable housing project owner(s).
- **Ground lease rents.** The selected Developers will enter into 75-year initial term ground or air rights lease agreements for the Senior and Family Projects (with options to extend to a total of 99 years) with OCII. The annual rent will be set at 10% of the appraised unrestricted value of each site. The rent will be re-determined every 15 years thereafter, as determined by an MAI appraiser selected by and at the sole cost of tenant. For purposes of this proposal, Applicants should assume that annual rent will be comprised of a \$15,000 annual base rent to be paid as an operating expense (assume a separate base rent for each of the projects). Applicants should note that annual base rent must be considered an "above the line" expense for each project. Residual receipts payable to OCII/MOHCD will not be applied to ground lease rents. Any residual receipts flowing to OCII/MOHCD will be applied toward payment of the loan agreement.

- **Non-residential costs and income.** Applicants should refer to the MOHCD Commercial Space Underwriting Guidelines for policies regarding expenses and income for the development and operation of the commercial space. A separate proforma for the commercial space is not required for the proposal submittal. The commercial cost should be included in the permanent sources and uses and operating budget for either the Family Project or Senior Project. The residential proforma should include the cost of constructing the commercial warm shell. Applicants should follow the guidelines applicable to a Public Benefit/Commercial-Serving Use described in the MOHCD Commercial Underwriting Guidelines. The proforma should assume nominal commercial rental income.

## **E. Occupancy Preferences & Resident Selection**

Preference for occupancy of senior and family units shall be given first to Preference Holders and the selected Developers should seek financing that is compatible with this preference. OCII will apply housing preferences authorized under OCII Resolution No. 09-2019 (April 16, 2019), including those under Chapter 47 of the San Francisco Administrative Code to the extent that they are consistent with other applicable laws and policies. Preference will be given in the following order:

1. Preference Holders, including direct descendants of originally displaced individuals (Cal. Health & Safety Code §§ 33411.3 and 34178.8) (please see Attachment 20 for the Property Owner and Occupant Preference Program, adopted in 2020)
2. Displaced Tenants Housing Preference
3. Neighborhood Resident Housing Preference
4. San Francisco residents or workers
5. Members of the general public

The Developer will establish separate tenant selection policies for the Senior and Family Projects. The policy for the Senior Project will define age eligibility, consistent with federal and state law. Tenants for both Projects must meet the income eligibility criteria and the Developers' established screening requirements for the Projects, which must be consistent with OCII's marketing policies. Any authorized preference shall be permitted only to the extent that such preference does not have the purpose or effect of delaying or otherwise denying access to a housing development or unit on account of any basis listed in Subsection (a) or (d) of Section 12955 of the California Government Code. OCII or its agent will work with the selected Developers to resolve any potential occupancy conflicts and to ensure adherence to the above-listed OCII occupancy preferences and marketing requirements.

As previously noted, staff from HSH will provide tenant referrals for the PSH units through the Coordinated Entry process. Pursuant to HSH and LOSP policies, tenants in PSH units must be experiencing homelessness in San Francisco.

### **1. Advertising and Marketing**

Starting one month after construction commencement, the selected Developers must provide an Early Outreach Plan with an emphasis on outreach to and rental readiness and application preparation assistance for Preference Holders. The Developers must select a third-party housing counseling agency for these services and execute a memorandum of understanding (or similar document). A pre-approved provider list will be provided to the selected developer in the Early Outreach Plan template (OCII will provide this template to Applicants upon request). Three months after construction commencement or 18 to 12-months prior to the anticipated Temporary Certificate of Occupancy, early outreach shall begin. Failure to submit an Early Outreach Plan with the allotted timeframe, may result in default and/or assessment of negative points to Developer's subsequent RFP/Q submissions.

After the early outreach period, the Developers will be expected to prepare and implement robust marketing plans for each Project that successfully outreach to low-income seniors and families. The Developers must provide notice of the rental opportunities through public meetings and mailings. The Developers must make support service staff available to prospective applicants, as they may require, for the purpose of assisting them throughout the applicant process and maximizing their participation.

Beginning in predevelopment, through construction and initial lease-up, and on an ongoing basis, OCII and MOHCD will require compliance with OCII, MOHCD, and HSH standards and protocols and regular communication and collaboration with staff from these agencies. Requirements will include early outreach planning and implementation, marketing planning and implementation, public lotteries for initial lease-up, appeals processing, lease-up, and ongoing wait list management.

## **F. Resident Services**

The successful provision of resident support services is critical to the overall success of the development program for both the Senior and Family Projects. The submittal should address (in Section VI.G) a clear services plan for all target resident populations, describe the approach and the organizational capacity of the services provider, and describe any commitments from prospective providers or funders.

PSH unit residents will require intensive support services and case management. Both the Family and Senior Projects should include appropriate services coordination and connections for resident households. Services should be designed to serve the anticipated resident populations.

### **1. Minimum Requirements**

- An understanding of the housing and service needs of the tenant populations.
- A clear program design that incorporates: tenant-based services, access to and coordination of mainstream community services, and subcontracted and/or partner services.
- An understanding of employment issues as they relate to people experiencing homelessness and a clear program design that incorporates direct services on site as well as access to and coordination with community based subcontracted and/or partner services.
- Experience providing required services in a housing setting.
- A commitment by the services provider(s) to coordinate with the property management through regularly scheduled tenant meetings to ensure sound operational and building management practices.

### **2. Organizational Capacity**

- A track record or other demonstration of effective collaboration that illustrates the ability of the organization to effectively coordinate and deliver services and other resources needed by families and seniors being served within a housing program.
- Commitment(s) from housing and/or service providers and additional funders (public or private), describing in-kind, leveraged, or matching funds for proposed services that will complement the applicant's contribution and a plan for securing additional resources over time.
- Demonstrate project readiness by providing a descriptive narrative and budget.

### **3. Supportive Service Model**

Resident services should be tailored to specific resident needs in both the Family Project and Senior Project. Applicants should outline a resident services program that anticipates potential needs and describes staffing.

For the PSH unit residents, the service models should focus on permanent supportive housing with intensive wrap-around services. The service provider(s) must demonstrate their familiarity with the core principles of the trauma informed system (TIS) and housing first principles. Providers should use a tenant-centered model that provides, or facilitates the provision of, an array of non-mandatory voluntary services that encourages tenants to utilize them. In addition to case management, other supportive services identified to be necessary for housing stability should be available. TIS should be included at all levels of housing management, and specific comments included in the services and resident selection plans.

Service activities (both Senior and Family Projects):

- TIS that includes initial and ongoing training for both services and property management staff/teams.
- Develop knowledge, skills, and ability to engage and assess formerly homeless families and seniors in collaboration with property management during the resident selection period. Ongoing outreach and engagement to the tenant populations
- Mental health and substance use management and recovery
- Eviction prevention counseling and advocacy and early intervention or problem solving on issues that may affect housing stability
- Advocacy or assistance in solving legal or financial problems
- Coordination of tenant involvement with property management
- Access to basic needs such as clothing and food
- Conflict resolution among tenants using trauma informed principles
- Recreation, community building, social, and/or other group programming
- Adult learning, particularly opportunities for adults who may need literacy support
- Access to benefits and educational opportunities as appropriate
- Opportunities to move up the housing ladder via the Moving On Initiative or other programs

For the Family Project, activities should be coordinated on site for school age children. These may include after school homework and/or tutoring help, arts and crafts, and other enrichment activities. Children's service programming should also take into consideration the special needs of formerly homeless children and be prepared to address cases of emotional and behavioral issues. Service activities (specific to the Family Project):

- Referral to or provision of supported pre-vocational/vocational activities appropriate for the skill level of residents
- Adult education, employment skill development, and job placement and retention services
- Parenting support and life skills coaching using trauma informed parenting providers
- Child and youth services including academic support, after school enrichment, recreation, youth development, and counseling

For the Senior Project, services should emphasize access to aid programs and benefits, physical and mental well-being, and community building. Service activities (specific to the senior project):

- Referrals and assistance with accessing primary medical care and other community services as needed
- Access to in-home care services

## **G. Property Management/Maintenance Oversight**

Applicants may choose to manage the Family and Senior Projects by the same property manager or propose a different property manager for each project. If the same property management entity is selected, the Applicant should ensure that the properties are separately staffed and operated to ensure fair housing compliance and a management approach that is specific to the resident population to be served. The selected property management

company or companies must have demonstrated successful approaches to managing buildings targeted for each proposed tenant population, including family housing, senior housing, and integrated housing that serves formerly homeless persons in compliance with housing first principles. Applicants should provide a narrative description of the property manager's specific experience working with these populations. This narrative description should include the property management company's experience with and approach to working with on-site and community service providers to ensure resident safety and stability.

The property manager(s) should exhibit a commitment to provide sound operational and building management staff who is willing to meet with residents, the Developers, and the services provider(s) at regular meetings. Applicants must also show that the property management company is experienced in assisting new developments to become integrated into the neighborhood by cultivating good relationships with neighborhood residents, businesses, and other stakeholders. Applicants should provide information regarding the property management company's approach to building security and maintenance. Applicants should assume that the property manager(s) will provide 24-hour desk coverage.

## **H. Equal Opportunity Programs**

OCII has an Equal Opportunity Program ("EOP") that requires that OCII-sponsored projects provide benefits to economically disadvantaged communities and local residents. The EOP consists of the policies and programs that are described in Attachments 12 through 18 of this RFP.

As part of the RFP response, the Applicant shall submit a WCAP that addresses how the team will implement the following policies and programs: Nondiscrimination in Contracts and Benefits, SBE Policy, Minimum Compensation Policy, Health Care Accountability Policy ("HCAP"), Prevailing Wage, Permanent Workforce, and Construction Workforce. The WCAP should identify the person responsible for its implementation. This individual may be an in-house staff member or outside consultant. In addition, the WCAP should briefly describe how an SBE associate architect and general contractor joint venture (described below) could potentially be utilized in this project.

As previously noted, an Applicant is defined as a team comprised of only the following: (1) a for profit or non-profit Housing Developer and non-profit co-developer (2) property manager, (3) a lead architect, (4) a WCAP consultant (if an outside consultant is being proposed), and (5) a qualified services provider. Any and all other consultant(s) to the development team shall be brought on to the project at a subsequent stage pursuant to OCII's SBE Policy.

OCII strongly encourages the Applicant (and those consultants and contractors, including the general contractor, that the Applicant will bring on to the project after Applicant selection) to create joint ventures or similar partnership relationships with San Francisco-based SBEs looking to build capacity and gain experience.

### **1. SBE Associate Architect**

OCII requires that the successful Applicant cooperate with OCII to identify substantive design elements of the Projects, to the extent practicable and economically feasible, to be offered to one or more SBE associate architect(s) and competitively solicit SBE associate(s) architect pursuant to OCII's SBE Policy even if the Applicant's lead architect is an SBE. It is expected that the role of the associate architect(s) should be meaningful and collaborative, such as providing the associate architect(s) a discreet massing component and involving the associate architect in design through the completion of the Project. OCII expects that the associate architect scope will comprise at least 35% of the total design contract. To allow for collaboration from concept through construction, OCII emphasizes that massing concepts presented in response to this RFP should be not include architectural designs and should be further developed only after the selection of an SBE associate architect(s).

### **2. General Contractor Joint Venture**

OCII requires that the successful Applicant cooperate with OCII and competitively solicit a general contractor with the intent of creating a joint venture or similar partnership opportunity, to the extent practicable and economically feasible, between a general contractor and an OCII-recognized SBE contractor. Furthermore, the successful Applicant shall cooperate and require the general contractor to exercise good faith efforts to select subcontractors who are SBEs or, if they are not SBEs, are willing to create joint ventures or similar partnership opportunities with SBEs.

## I. Community Outreach

It is critical to the success of the development program that the selected Developers establish positive links with the Transbay community throughout the development process. A Transbay CAC member will review proposal submittals and participate in the Evaluation Panel. The Transbay CAC will review and confirm the proposal recommended by the Evaluation Panel and OCII Executive Director, prior to review by the Commission. In addition, the Transbay CAC will be asked to make a recommendation regarding schematic design concerning the Site and any OCII financing approvals for the Project. The selected Developers are expected to maintain an ongoing relationship with the Transbay CAC during development and once the Projects are operational.

## J. Tehama Improvements

The Transbay Streetscape & Open Space Plan identifies Tehama Street and Clementina Street as "... 'pedestrian alleys' that provide important east-west connections across the neighborhood. The plan anticipates that these alleys will be open to vehicular traffic but incorporate features such as raised crosswalks to calm traffic and improve pedestrian comfort and safety. OCII has engaged SFPW to design the extensions of both Tehama and Clementina Street between Main Street and Beale Street, as an extension of their work on the design of the planned public park on Block 3. While SFPW has prepared designs for Tehama Street, these designs were prepared with the expectation that the improvements would be constructed by the Block 4 vertical developer. The Tehama Improvements will be funded by OCII separately from the Family Project and the Senior Project.

The Block 3 park, Clementina Street, and related streetscape and infrastructure improvements will be completed in phases. The first phase, including Clementina Street, portions of sidewalks along Main Street and Beale Street, and other infrastructure improvements, is planned to begin in January 2025. The Block 3 park will be constructed in phase 2 and may be subject to design revisions.

As depicted in SFPW's 100% construction documents, the Tehama Improvements currently include:

- Buildout of the new Tehama Street roadway extension, including sidewalks, lighting, street trees, and raised crosswalks at each corner of Tehama Street;
- Raised north-south pedestrian crossings at the Tehama intersections with Beale and Main Streets; Main Street water line relocation; and
- Sidewalk widening on Main Street adjacent to the eastern portion of Block 4 (Only the Tehama Street interface with Main Street will be widened when Tehama Street is constructed. The balance of the Main Street sidewalk will be widened when Block 4E is developed).

Other improvements to serve the Project may be needed, as identified by the selected Applicant in coordination with SFPW, SFMTA, SFFD, San Francisco Public Utilities Commission, and other utility providers. Please see Attachment 23 for the proposed area of the Tehama Improvements work.

The SFPW Tehama Street 100% construction documents were completed in response to a previous development proposal for the entire Block 4 site which was planned to be entirely Type I construction. The Tehama Street 100% construction documents did not envision the new street as providing fire access point for Block 4, but the design does provide passenger loading for the Project. OCII will provide the selected Applicant with the Tehama Street 100% construction documents to work from, and the selected Applicant should plan on revisiting the street's design with OCII and the City's reviewing agencies to ensure the Tehama dimensions are optimized to serve all of Block 4. To ensure pedestrian and emergency vehicle access in time for initial occupancy of the Project, the selected Applicant will be responsible for constructing the Tehama Improvements through a short-term horizontal ground lease or similar agreement in which OCII will reimburse the selected Applicant for the Tehama Improvements work (for clarity, OCII expects that this work will be funded separately from the residential Projects). The selected Applicant will also be responsible for ensuring the Tehama Improvements meet City standards, closing out the construction phase and, upon completion, transferring the Tehama Improvements to SFPW.

## SECTION V. SELECTION PROCESS & CRITERIA

### A. Selection Process

1. Submittals will be accepted only until the dates and times shown in Section II.A and E.
2. Submittals will initially be electronic, uploaded to OneDrive pursuant to instructions emailed to registered Applicants. Electronic submittals must be followed by three (3) hard copies to be considered. No submissions received by facsimile or electronic mail will be considered. The Applicant is solely responsible for ensuring that all information requested in Section VI Submission Requirements is submitted.
3. OCII staff will contact references.
4. Applicants who have provided submittals that meet the requirements of this RFP may be interviewed. Interviews are scheduled to be held on the date(s) shown in Section II.A. These dates are subject to change. All Applicants should advise OCII staff of availability on these days. Interviews will be held at OCII, located at One South Van Ness Avenue in San Francisco on the fifth floor (note that interviews may be conducted via video call).
5. Further information or written material regarding qualifications or submittals may be requested prior to or following interviews.
6. OCII Executive Director will make a recommendation to the Commission based on the input of the Evaluation Panel review of the submittals, interviews, and reference checks.
7. The Commission will approve selection of the successful Applicant.

### B. Selection Criteria

The selection of the Applicant will be based on the strength of all aspects of the proposed development concept, as well as the Applicant team members' experience as described below.

Maximum Points	Criteria
<b>60</b>	<b>Development Concept</b>
20	Development Concept and Approach
10	Financing Plan
10	Community Engagement/Marketing Plan
5	WCAP
5	Supportive Services Plan
10	Design/Massing Concept
<b>40</b>	<b>Team Experience and Capacity</b>
10	Applicant Team Composition and Structure
10	Developer
5	Co-Developer
5	Architect
5	Supportive Services Provider
5	Property Manager

Ranking will also be based on staff experience and capacity in light of current and projected future workloads; success of its submittal in the Evaluation Panel interview; and ability to comply with OCII policies and requirements.

## SECTION VI. SUBMISSION REQUIREMENTS

The Applicant must submit electronically, based on the instructions emailed to registered Applicants. The electronic submittal must be followed by a hard copy submittal, **including** three (3) copies of the submittal containing the information requested in this RFP.

Applicants are to provide the requested information in the order indicated below. For electronic submittals, each section A-G must be a separate PDF file, with the file name labeled according to the Section names below. Note, however, that the pro formas should be uploaded as excel files. For hard copy submittals, include a table of contents, with sections separated by labeled tabs corresponding to sections A-G below and their sub-sections.

Electronic and hard copy submittals must be submitted to OCII, on or before the time, date and at the place shown above in Section II. E. Hand delivery is advised for hard copy submittals. Late, incomplete, emailed, or faxed submittals will **not** be considered.

### A. Development Concept & Financing Proposal

Using standard estimating techniques and clearly describing key assumptions, provide the following documents:

1. **Project Description (Narrative):** Submit a narrative of no more than four (4) pages describing the Applicants' vision for the Project. The narrative should address:
  - a. Vision for the Project program, including residential and commercial uses, features, and amenities;
  - b. Strategy for maximizing cost containment and financial feasibility in all aspects of the Project including predevelopment, construction, and operations;
  - c. Strategy for addressing and ensuring diversity, equity, and inclusion in all aspects of the Project including predevelopment, construction, and operations;
  - d. Strategy for resident transportation and mobility. Describe your plan for assisting residents in accessing workplaces, schools, affordable grocery outlets, senior centers, and other goods and services. Such strategies may include, but are not limited to, on- or off-site vehicular parking, bicycle access, car/ride share vouchers, and van services. Include preliminary cost estimates for suggested strategies.
  - e. Anticipated development approach and schedule, describing the relationship between the Project and the Tehama Improvements.
2. **Alternative Development Scenario: Single Building (Narrative):** Submit a narrative of no more than two (2) pages assessing a development scenario in which initial development on Block 4 was provided in a single building, rather than two buildings as otherwise contemplated herein. See description of Alternative Development Scenario: Single Building in Section IV.A.

The narrative should address:

- a. Potential number of units that may be developed in a single affordable building;
- b. Potential merits and drawbacks to this approach, which may include (but are not limited to):
  - i. Financial feasibility (development and operational);

- ii. Constructability;
  - iii. Property operations, management, and maintenance; and
  - iv. Quality of resident experience including living environment and amenities; and
- c. Approach to collaborating with OCII to determine and pursue the optimal development approach (describe future studies that may be undertaken, research and information you might seek, and a suggested collaboration approach and methods).
3. **Financing Plan (Narrative):** Submit a narrative of no more than three (3) pages that clearly describes the anticipated development and operating costs and financing sources for the Project that is consistent with the Development Program as described in Section IV.
- a. **Sources and Uses (Attachment 10, Tab 4b):** Fill out the OCII/MOHCD construction and permanent sources and uses budget. Please prepare three (3) separate budgets, one each for the Senior Project, Family Project, and Tehama Improvements. Please contact the RFP representative if the spreadsheet needs to be modified. Please include construction cost estimates that consider the elements and requirements as described in Section IV. As noted in Section IV.D above, commercial costs should be included in the budget for either the Senior Project or Family Project.
  - b. **Operating Budget (Attachment 10, Tab 6):** Fill out the OCII/MOHCD 1<sup>st</sup> Year Operating Budget. Please prepare two (2) separate budgets, one each for the Senior Project and Family Project.
  - c. **Cash Flow (Attachment 10, Tab 7a):** Submit separate 20-year cash flow projections for the Senior and Family Projects using the template provided. As noted in Section IV.D above, nominal commercial revenue and commercial expenses should be included in the budget for either the Senior Project or Family Project.
4. **Community Engagement and Marketing Plan and Budget (Narrative):** Submit a narrative no more than three (3) pages describing the approach and plan for community outreach, marketing, and lease-up, with a particular emphasis on strategies to maximize Preference Holder placement:
- Applicant's overall philosophy and strategy for marketing the non-PSH units to low-income families and seniors, particularly those receiving preference. Describe outreach elements as well as the proposed staffing model to support potential tenants through the application and leasing process, i.e. through internal staffing or through the use of a dedicated consultant.
  - Specific outreach methods that have been most useful in engaging potential applicants, as well as methods to assist applicants in compiling the leasing process. Describe ways to tailor these methods or propose new approaches to best serve tenants in both the Senior Project and Family Project.
  - Providing the community (especially Preference Holders) an opportunity to participate in the design process.
  - Description of early rental readiness services delivery to prospective tenants, especially Preference Holders.
  - Marketing budgets for both the Senior Project and Family Project that are consistent with the Applicant's marketing plan.
  - Commercial marketing - describe proposed marketing efforts and target tenants for the commercial space, including collaboration with OEWD and/or community-based organizations to identify small businesses that may benefit from access to retail space and who may, in turn, provide goods and services that would benefit neighborhood residents. Describe capacity and experience successfully working with such small businesses; such experience may include micro/small local food-related businesses and programs that support them. Describe planned efforts to assist prospective tenants in connecting with programs that may provide tenant improvement financing or other support.
4. **WCAP (Narrative):** Submit a WCAP of no more than three (3) pages describing the specific steps that the development team will take to meet or exceed the contracting and workforce obligations in **Attachments 12 through 18** of this RFP and includes information regarding the following:

- Demonstration of the Applicant’s knowledge and familiarity with OCII/City workforce and contracting policies and programs.
- Clear identification of the WCAP Lead responsible for leading EOP compliance (this person(s) will be responsible for regular coordination with OCII on program implementation). This may be a staff member(s) at one or more of the Developers or an outside contractor. Describe the experience of the responsible party in this work and describe their preparation for undertaking this role, understanding of the program, capacity, and relevant experience.
- Demonstration of the Developer and Co-Developer’s track record of prioritizing SBE participation in project development and construction. Highlight ways in which the Developer and Co-Developer will collaborate with partners to create meaningful SBE growth opportunities.
- Describe specific implementation actions that the Applicant proposes to achieve the best results for meeting or exceeding the goals, including outreach methods, key partnership, and other methods and actions.

**5. Services Plan (Narrative):** Submit a Services Plan of no more than two (2) pages that is consistent with the resident services as described in Section IV.F and that includes the following information:

- Services provider’s philosophy and plan for providing services to Family Project and Senior Project residents, and intensive support services to residents who have experienced homelessness.
- Methods that have been most useful in engaging clients. Please also describe ways to tailor those methods, or develop new approaches to best serve residents of the Family and Senior Projects.
- Describe your proposed staffing model and explain how time will be allocated (note staff titles, position descriptions, salaries, and FTE).
- Include a services budget that is consistent with the Services Plan as described in Section IV.F. Please break out costs between the Senior and Family Projects or provide two distinct budgets.

**6. Massing Concept:** To allow for collaboration from concept through construction and to minimize work completed prior to developer selection, OCII emphasizes that massing presented in response to this RFP should be simplified with no architectural design (i.e. elevations). Instead, and of great importance, please provide thoughtful inspirational images and precedents to communicate the Applicant’s design concept and intent. Please carefully review the submission requirements below. Submission of additional architectural drawings beyond what is shown below may result in a reduction of points in the Proposed Massing Concept category.

- Narrative:* Submit a narrative of no more than three (3) pages that describes the design concept including the Applicant’s vision and approach, and a description of construction type, building materials, cost containment strategies, and green building strategies and elements. The narrative should highlight and explain key proposed deviations from DCDG standards. The narrative may include up to three inspirational and precedent images that illustrate aspects of the Applicant’s design concept and intent. For any images provided, include a short caption that identifies the elements that are relevant to the concept for Block 4W.
- Drawings:* Provide the following drawings formatted on 11x17 sheets in a “landscape orientation” in black and white (color may be used only to differentiate program areas from one another and shall not be used to depict material finishes):
  - 3-D Massing Diagrams:* Two (2) diagrams depicting the conceptual building massing and scale as it relates to existing or planned buildings on surrounding lots, as well as a hypothetical future massing of a 450’+ market-rate tower located on Block 4E (please see Attachment 22). Diagrams should not show windows, doorways, texture, color, or detailed articulation. Applicants may use some discretion in determining the specific angles of the views presented, however, one diagram should show the building massing as seen from the south looking north (showing the frontage

along Tehama Street and the planned park on Block 3) and the other should be from the north looking south (showing the Howard Street frontage).

- ii. *Site Plan:* at 1/32" = 1'-0" showing building massing and the relationship of buildings, open space, and streets areas. Indicate approximate locations of amenities, residential lobby entrance(s), retail, housing layouts, elevator, auto ingress/egress, utilities, etc.
- iii. *Sections:* Two (2) site sections at 1/32" = 1'-0", one longitudinal and one transverse, that best describe the massing concept. Please include the projected future 4E tower in the longitudinal section per included diagram.
- iv. *Floor Plans:* Plans of all floors at 1/32" = 1'-0", showing proposed uses. Floor plans should indicate the number of bedrooms per unit, but not show unit layouts or detail layouts of any of the uses.

**NOTE:** The intent of the drawings is not to develop an architectural design for the Site, but to illustrate unit mix and the massing implications of the proposed development program. Applicants are required to submit only their proposed architecture massing concept in their proposal according to the criteria above.

**No other drawings, renderings, elevations, or models of any kind are required or will be accepted at the time of submittal. Submittals in excess of the required materials shall be returned and will not be eligible for any payments pursuant to Section IX.G.2. Furthermore, Applicants are prohibited from presenting any additional drawings, renderings, elevations or models in excess of the accepted submission at community meetings, interviews, or Commission meetings.**

## B. Applicant Description

1. **Applicant Structure and Approach (Narrative):** Provide a narrative of no more than two (2) pages that describes how the team will work together during predevelopment, construction, and in the ownership and operation of all aspects of the completed Project. The narrative should:
  - a. Clearly articulate key Developer and Co-Developer roles and responsibilities for the Senior Project, Family Project, and Tehama Improvements. State the developer fee and ownership splits.
  - b. Explain the rationale for the planned Developer/Co-Developer roles and the intended benefits/growth outcomes for the Co-Developer.
  - c. Identify the party or parties responsible for:
    - leading EOP compliance;
    - resident services and supportive services;
    - property management; and
    - early outreach, marketing, and lease-up.
2. **Memorandum of Understanding ("MOU"):** Attach MOU between the Developer and Co-Developer(s).
3. **Applicant Description Form (Attachment 1):** Complete the Applicant Description Form.
4. **Résumés:** Submit résumés for all persons identified on the Applicant Description Form.

## C. Developer Experience & Capacity

5. **Developer and Co-Developer Experience (Narrative):** Submit a narrative of no more than two (2) pages describing the relevant experience of the Developer and Co-Developer. The narrative should address:

- a. Experience developing complex affordable housing projects on in-fill sites, and track record in delivering projects on schedule and within budget.
- b. Experience effectively partnering with other developers and ways in which the experience of the Developer and Co-Developer is complementary and why it is relevant in preparing the team to successfully complete the Project.
- c. Expertise in affordable housing finance and experience securing capital and operating sources. As applicable, highlight any experience successfully utilizing unique or innovative financing strategies.
- d. Demonstrated commitment to racial equity and effective implementation of organizational diversity, equity, and inclusion plans and programs. Provide specific examples of effective program/policy implementation.
- e. Understanding of the Preference Holder program and relationships with organizations serving Preference Holders.
- f. Relevant marketing experience, including Developer's experience, if any, with successful targeted outreach to Preference Holders and with MOHCD's electronic marketing and housing portal, DAHLIA.
- g. Experience overseeing commercial unit development and successfully identifying tenants and securing long-term leases. Include any experience collaborating with OEWD or community-based organizations to identify and assist prospective tenants.
- h. Staffing plan and strategy for consistently staffing the Project in the event of staff turnover or absences.

**6. Developers' Workload Capacity (Attachment 2):** Complete the Staffing Workload Form for the Developer and Co-Developer. The forms must identify all staff members for each of the developer entities who will have a project management role.

**7. Developer and Co-Developer Experience in Comparable Projects (Attachment 3):** Complete the Comparable Projects Experience Form for the Developer and Co-Developer. Developer and Co-Developer should use this chart to convey their experience in at least one (1) up to a maximum of two (2) projects completed within the past ten (10) years by the Developer and Co-Developer, that are comparable to the proposed Project. For purposes of this RFP, a comparable project would be an affordable rental housing project that serves low-income families or seniors of relevant size and scale. The lead Developer must include at least one (1) comparable project in which at least a portion of the population served is formerly homeless households. Photos of projects may be included but are not required.

**8. Developer and Co-Developer Experience in Other San Francisco Projects (Attachment 4):** Complete the San Francisco Projects Experience Form. Developer and Co-Developer should use this chart to describe their experience in any other projects developed *within San Francisco only*. Photos of projects may be included but are not required.

## **D. Architect Experience & Capacity**

**1. Architect's Experience (Narrative):** Submit a narrative of no more than two (2) pages describing:

- a. *Relevant Experience:* Describe the Architect's experience on affordable housing projects of a similar scale in San Francisco and/or in other urban settings. Explain how this experience has prepared the Architect for this opportunity. Include descriptions of the specific experience and current capacity of staff members who will be assigned to the Project. Provide examples of the Architect working within constrained budgets.
- b. *"Green" Experience:* Describe green building design experience and evidence of current Green Point Rated professionals, if any.

- c. *Local Regulatory Experience:* Describe experience working with the San Francisco Department of Building Inspection and other local permitting agencies. Highlight any experience on projects that required re-zoning and CEQA analysis.
- d. *Racial Equity:* Describe the Architect's efforts to improve diversity, equity, and inclusion. This may include training programs, recruiting and hiring practices, staff training, and collaborations.
- e. *Management of an Associate Architect:* Describe experience working with an associate architect(s) and how an associate architect may be utilized on this Project. Describe your approach to determining a scope of work that will enhance the Project design and ensure a meaningful experience for the selected associate architect(s).
- f. *High Quality Design at Affordable Cost:* Describe experience in designing and delivering excellent design that blends seamlessly with the surrounding environment, and is also highly efficient and cost effective. Describe how this experience has contributed to your vision for addressing cost constraints while providing a design for Block 4W that is appropriate to its central location at the heart of the emerging Transbay neighborhood.

2. **Architect's Workload Capacity (Attachment 2):** Complete the Staffing Workload Form. Include all staff members who will have a role on the Project.

3. **Architect's Experience in Comparable Projects:**

- a. *Project Descriptions:* On no more than one page for each project (including the photos noted below), provide a description of at least one (1), but no more than three (3), completed comparable developments (preferably projects located in San Francisco). For all projects, include the design and development timelines, dates completed, and client contact information. Note any budget or financing constraints. If the Architect was not the sole architect, please describe the Architect's role in the project.
- b. *Photos:* Submit three (3) photos of the interiors and exteriors of the comparable projects listed above, to display architectural design features, relationships of buildings and relationships with adjacent uses (other developments, streets, etc.). Images should include elements that are relevant to this Project including residential structures, lobby/retail frontages, and townhome-style entries. Please also submit a reference floorplan of a typical residential level from any of the comparable completed projects listed above, demonstrating attentiveness to livability, thoughtful accommodation of potential furniture layouts, and excellent light penetration to habitable spaces including living rooms, dining rooms, studies, kitchens and bedrooms.

**E. Property Manager Experience and Capacity**

1. **Approach (Narrative):** Provide a written narrative (no more than two (2) pages) describing the Property Manager's relevant experience and approach to serving residents in affordable housing communities (if different property managers are proposed for the Senior and Family Projects, please include a separate narrative for each):

- Experience managing and effectively maintaining an affordable rental housing community of a comparable scale achieving high rates of housing retention, serving a comparable tenant population, and in which a portion of units are occupied by households who have experienced homelessness.
- Experience effectively collaborating with on-site and community supportive service providers. Provide examples of positive working relationships.
- Policies and practices to ensure resident safety and stability.

- Demonstrated commitment to racial equity and effective implementation of organizational diversity, equity, and inclusion plans and programs. Provide examples of effective plan/program implementation.
- Anticipated project management staffing, organizational capacity to take on new projects, and demonstrated ability to fill open positions in a timely manner with qualified staff. If the Property Manager has had any property management contracts prematurely terminated in the last five years, include an explanation for each termination.

2. **Property Manager’s Experience in Comparable Projects (Attachment 5):** Complete the Property Management Experience Form. If different property managers are proposed for the Senior Project and the Family Project, please complete a Property Management Experience Form for each entity.

## F. Service Provider(s) Experience and Capacity

1. **Service Provider’s Experience (Narrative):** Provide a written narrative (no more than two (2) pages) describing the Service Provider’s approach to providing services to residents of affordable housing.

- Experience in providing culturally competent services and in collaborating with parties from different disciplines (e.g. developers, property management agencies, government, outside service providers, etc.).
- Demonstrated commitment to racial equity and effective implementation of organizational diversity, equity, and inclusion plans and programs. Discuss strategies for eliminating barriers that prevent communities of color from accessing quality health care services, employment and educational opportunities. Provide examples of effective plan/program implementation.
- Services Provider’s understanding of the challenges facing clients transitioning from homelessness to housing. Describe the provider’s approach to addressing such challenges as they arise, including achievement and maintenance of housing stability, eviction prevention, and crisis intervention, prevention, and diversion.
- Experience in/approach to serving clients with severe and persistent mental illness and those with substance use issues, as well as approach to providing harm reduction services in a housing setting.
- Describe the organization’s capacity to provide services at new projects, and demonstrated ability to fill open positions in a timely manner with qualified staff. If the Service Provider(s) have had any services contracts prematurely terminated in the last five years, include an explanation for each termination.
- Confirm the Services Provider’s conformance to the minimum qualifications listed in Section IV.F. Include at least two (2) letters of reference or the names, organizations, and contact numbers of two persons willing to act as a reference on your behalf. Please include a list of all programs you operate currently and the sites at which those programs operate. (This list may be included as an appendix.)

2. **Service Provider’s Experience in Comparable Projects (Attachment 6):** Complete the Supportive Service Provider’s Experience Form (if different providers are proposed for the Senior and Family Projects, please submit a separate form for each provider).

## G. Other Required Information

**Note: these items need only be submitted in the electronic file. Copies do NOT need to be included in the hard copy sets.**

1. **Disclosure Questions (Attachment 7):** Each Developer/Co-Developer entity, as defined in Section A of Attachment 1, Applicant Description Form, must complete and submit the Disclosure Questions. These questions are designed to identify any potential conflicts of interest and/or liability issues. A summary of

Government Code Section 87103 containing the relevant portion of the Fair Political Practices Act is included as a footnote on the Disclosure Form for reference. Applicants should also be familiar with the San Francisco Government Ethics Ordinance, San Francisco Campaign & Governmental Conduct Code, §§ 3.200, et seq. **\*Failure to include complete, signed certifications will disqualify the submittal.**

2. **Statement of Compliance with OCII Policies (Attachment 8):** Each Developer/Co-Developer must agree to comply with all of OCII's policies, including but not limited to, SBE Policy, construction workforce requirements, and insurance and indemnification requirements found in this RFP and shall execute the statement of compliance certifying the same. **\*Failure to include a complete, signed certification will disqualify the submittal.**
3. **Offer to Negotiate Exclusively**
  - a. **Form (Attachment 9):** The Applicant shall complete and submit the Offer to Negotiate Exclusively. The person signing this form must have the authority to bind the entire Applicant team. **\*Failure to include a complete, signed Offer to Negotiate will disqualify the submittal.**
  - b. **Deposit:** The Applicant shall submit an "Offer to Negotiate Exclusively Deposit" in the amount of **One Thousand Dollars (\$1,000) ("Deposit")** made payable to OCII as part of the Proposal. This payment shall be refunded to all Applicants not selected by the Commission. (It shall also be refunded in the event an Applicant selected by the Commission does not obtain Commission approval for development of the Project.) **\*Failure to include a valid "Offer to Negotiate Exclusively Deposit" will disqualify the proposal.**
4. **Submission Checklist (Attachment 11):** Complete and submit the Submission Checklist, certifying that all required items are contained in the Proposal.
5. **Developer Organizational Documents:** Submit a current copy of the following documents. NOTE: Each Developer/Co-Developer entity must submit the following:
  - a. *Certificate of Status (good standing) from California Secretary of State.* (Please note that the Certificate must bear the official State of California seal and that web screen prints from the Secretary of State of California website are not acceptable).
  - b. *Certification of 501(c)(3) status from the Internal Revenue Service* (if applicable, for any non-profit corporations).
  - c. *Certification of 501(c)(3) status from the California Franchise Tax Board* (if applicable, for any non-profit corporations).
  - d. *The latest two (2) years of either:*
    - i. signed federal income tax returns (including schedules or attachments, if any); or
    - ii. audited financial statements (with management letters, if any).

**THIS IS THE END OF THE SUBMISSION REQUIREMENTS SECTION.**

**ALL INFORMATION REQUESTED ABOVE IN SECTION VI MUST BE SUBMITTED IN ORDER FOR A PROPOSAL TO BE DEEMED COMPLETE.**

**APPLICANTS SCORES MAY BE NEGATIVELY IMPACTED BY ANY INCOMPLETE INFORMATION.**

## **SECTION VII. ADDITIONAL REQUIREMENTS**

*(for Recommended Applicant Only)*

After the Evaluation Panel interviews and presentation to the CAC, the Applicant recommended to the Commission by the Executive Director shall then be required to submit the following additional information *prior to Commission consideration*.

**DO NOT SUBMIT THESE FORMS WITH THE INITIAL PROPOSAL.**

**A. Nondiscrimination in Contracts & Benefits**

The Applicant shall complete and submit **Attachment 12**, the Declaration of Nondiscrimination in Contracts and Benefits. OCII has established a policy prohibiting discrimination in contracting, which includes a prohibition on discrimination in providing benefits between employees with spouses and employees with domestic partners. For further information, see instructions contained in **Attachment 12**.

**B. Small Business Enterprise Program**

The Applicant shall complete and submit **Attachment 13**, the SBE Agreement. OCII has established a goal of 50 percent SBE participation on all construction, professional services, and supply contracts. OCII requires Developers to perform extensive good faith efforts to include SBEs in the performance of any agreement resulting from this solicitation, and any subsequent agreements between Developers and contractors or consultants. If SBE participation goals are not met, compelling good faith efforts must be documented and provided to OCII.

OCII strongly encourages the selected Applicant to create joint ventures or similar partnership relationships among non-SBE consultants and contractors with San Francisco-based SBEs looking to build capacity and gain experience. In particular, the selected Applicant shall cooperate with OCII and competitively solicit a general contractor with the intent of creating a joint venture or similar partnership opportunity, to the extent practicable and economically feasible, between a general contractor and an OCII-recognized SBE contractor. Furthermore, the successful Applicant shall cooperate and require the general contractor to exercise good faith efforts to select subcontractors who are SBEs or, if they are not, are willing to create joint ventures or similar partnership opportunities with SBEs. In addition, the selected Architect will be expected to competitively solicit an associate architect and will work to define a scope that comprises approximately 35% of the overall design contract.

In accordance with OCII policy, the Developer shall give priority in awarding any contracts resulting from this solicitation in the following order: (1) Project Area SBEs, (2) Local SBEs (outside an OCII Project Area, but within San Francisco), and (3) all other SBEs (outside of San Francisco). Non-local SBEs should be used to satisfy participation goals only if Project Area SBEs or Local SBEs are not available or qualified, or if their bids or fees are significantly higher than those of non-local SBEs. OCII will accept the certifications of SBEs by the Contract Monitoring Division of the City and County of San Francisco and may accept SBE certifications from other agencies if the other agencies' small business size standard is consistent with OCII's. For further information, see **Attachment 13**.

**C. Construction Workforce Requirements**

The Applicant shall comply with OCII's Construction Workforce Requirements to ensure that all contractors/subcontractors demonstrate good faith efforts to meet workforce hiring goals. OCII has established a workforce hiring goal of 50 percent for San Francisco residents.

**D. Minimum Compensation Policy**

The Applicant (including, as defined herein as the Developer, Co-Developer, Property Manager, Architect, and Services Provider) shall complete and submit **Attachment 14**, OCII's Minimum Compensation Policy ("MCP") Declaration. The MCP requires the payment of a minimum level of compensation to employees for all consultants working on OCII funded projects.

## **E. Health Care Accountability Policy**

The Applicant shall complete and submit **Attachment 15**, HCAP Declaration. The HCAP requires that contractors offer certain health plan benefits to their employees or participate in a health benefits program developed by the City's Department of Public Health or make a payment in lieu of such benefits to the City's Department of Public Health.

## **F. Prevailing Wages**

The successful Developer's General Contractor, including all members of any joint venture with SBEs and their subcontractors, shall comply with OCII's Prevailing Wage Policy, which includes payment of the State of California's prevailing wages.

## **G. Insurance & Indemnification**

Beginning at the time of selection and throughout the course of development of the Projects, the selected Applicant must procure and maintain insurance in accordance with OCII's policy, as the policy may be amended from time to time. Current insurance requirements are provided for reference as **Attachment 21**.

From the time of selection, the selected Applicant shall, defend, hold harmless and indemnify OCII, the City and County of San Francisco and their respective commissioners, members, officers, agents and employees of and from all claims, loss, damage, injury, actions, causes of action and liability of every kind, nature and description directly or indirectly arising out of or connected with the performance of OCII contract and any of the contractor's operations or activities related thereto, excluding the willful misconduct or the gross negligence of the person or entity seeking to be defended, indemnified or held harmless.

# **SECTION VIII. OCII PAYMENTS & FEES**

Applicants are responsible for the following deposits, as well as any fees in connection with the required deposits:

## **A. Offer Deposit**

An Offer to Negotiate Exclusively Deposit in the amount of One Thousand Dollars (\$1,000.00) made payable to the Office of Community Investment and Infrastructure is due at the time of Proposal submission. Please include a copy of the check in the electronic submittal and the actual check along with the hard copy submittal.

## **B. Performance Deposit (Selected Applicant Only)**

If the Commission approves entering into a development contract with the Applicant, then the Applicant shall deposit with OCII an additional Nine Thousand Dollars \$9,000.00 ("Additional Deposit"). The Additional Deposit shall be combined with the Deposit to form the performance deposit ("Performance Deposit"). The Performance Deposit shall be held by OCII until completion of the development.

# **SECTION IX. ADDITIONAL TERMS & CONDITIONS**

## **A. Selected Applicant's Team's Responsibility**

The selected Applicant will be solely responsible for construction of all improvements according to OCII-approved construction documents, and in accordance with applicable City building codes. This includes, but is not limited to, all on-site improvements and any changes from existing conditions, including underground utilities, traffic signals, street lighting, curbs, gutters, street trees and sidewalks. The selected Applicant will be solely responsible for all transactional costs and closing requirements, including, but not limited to, title insurance, escrow fees, parcel maps, etc. In addition, the selected Applicant will be responsible for payment of all applicable City fees and relevant

transactional costs, including but not limited to: building permit fees, utility relocation and connection fees, subdivision fees, transfer taxes, and transit fees.

## **B. Applicant's Duty of Loyalty**

Applicant for itself and its Contractors agree to abide by OCII's duty of loyalty, which appears in OCII's Personnel Policy (Prohibited Activities of Present and Former Employees, Commissioners and Consultants) and which states in part the following: "Unless approved in advance in writing by OCII, no present or former employee, Commissioner or consultant of OCII shall knowingly act for anyone other than OCII in connection with any particular matter in which OCII is a party, or has a direct and substantial interest, and in which he or she participated personally and substantially as an OCII employee, Commissioner or consultant whether through decisions, recommendations, advice, investigation or otherwise. Violation of this section by a present employee, consultant or Commissioner may, in the case of an employee or consultant, be grounds for discharge or termination of the consultant contract, and in the case of a Commissioner, be considered misconduct in office pursuant to [applicable law]."

## **C. OCII Non-Responsibility**

OCII has no obligation to demolish any improvements on the Site, remove, relocate or install utilities, complete on-site or off-site preparation work or improvements, or make any changes whatsoever to existing conditions.

## **D. Geotechnical Investigations**

All geotechnical investigation must be conducted by a licensed geotechnical engineer, retained by the Applicant, to investigate and supervise excavation and recompaction efforts as necessary, which investigations may only occur upon the issuance of a permit to enter the Site.

## **E. Environmental Review Approvals**

The selected Developers will be responsible for securing all environmental review approvals necessary to move forward with the development of the Site. These reviews may include the requirements of CEQA, NEPA and/or Section 106 of the National Historic Preservation Act, as applicable.

## **F. Accessibility Requirements**

The selected Developers will be responsible for meeting all applicable accessibility standards related to publicly funded multifamily housing development under Section 504 of the Rehabilitation Act of 1973, the Architectural Barriers Act, the Americans with Disabilities Act, the Fair Housing Amendments Act of 1988, and Title 24 of the California Code of Regulations. If the Project relies on tax credit or other sources of funding, additional accessibility requirements may apply. OCII requires an architect's certification at the completion of project design and construction that the improvements built are in accordance with all local, state and federal laws and regulations with respect to access for persons with disabilities.

## **G. Applicant Expenses**

1. The Applicant responding to this RFP does so at its own expense. OCII will not consider any costs related to preparing the proposal or negotiating the development contract as reimbursable. The foregoing notwithstanding, OCII will reimburse the cost for architectural massing drawings required by this RFP as set forth in Section IX.G.2 below.
2. OCII is requiring the submittal of an architectural massing concept as part of this RFP. In order to mitigate some of these costs to the Developers submitting proposals, OCII will reimburse those Developers whose principal office is located in San Francisco and whose proposal, in the sole discretion of OCII, has met each of the minimum qualifications described in Section VI Submission Requirements of this RFP. The total aggregate payment for architectural reimbursables by OCII shall not exceed \$50,000 and payments to Applicants who submit complete proposals shall be prorated accordingly, in an amount not to exceed

\$5,000 per Applicant. Qualifying Developers seeking architectural reimbursement payments must submit invoices from their architects.

## **H. OCII Right to Modify or Suspend RFP**

OCII, through its Executive Director, reserves the right at any time, in its sole and absolute discretion, to modify or suspend any and all aspects of the selection process, including, but not limited to, this RFP and all or any portion of the contractor selection process in or subsequent to the RFP; to obtain further information from any Applicant member, to waive any defects as to form or content of the RFP or any other step in the selection process; to reject any and all responses submitted; to reissue the RFP; procure the desired services by any other means or not proceed in procuring the services; to negotiate with any, all, or none of the respondents to this RFP as to fees, scope of services, or any other aspect of the RFP or services; to negotiate and modify any and all terms of an agreement; and to accept or reject any Applicant.

## **I. Claims Against OCII**

Each Applicant member, by responding to this RFP, waives any claim, liability or expense whatsoever against OCII and its respective officers, commissioners, employees and agents by reason of any or all of the following: any aspect of this RFP, the selection process or any part thereof, any informalities or defects in the selection process, the failure to enter into any agreement, any statements, representations, acts or omissions of OCII, the exercise of any discretion set forth or concerning any of the foregoing, and any other matters arising out of all or any of the foregoing.

# SECTION X. ATTACHMENTS

**To be submitted with Submission Package:**

- Attachment 1: Applicant Description Form
- Attachment 2: Staffing Workload Form
- Attachment 3: Comparable Projects Experience Form
- Attachment 4: San Francisco Projects Experience Form
- Attachment 5: Property Manager Experience Form
- Attachment 6: Services Provider Experience Form
- Attachment 7: Disclosure Questions
- Attachment 8: Statement of Compliance with OCII Policies & Certification of Applicant
- Attachment 9: Offer to Negotiate Exclusively
- Attachment 10: MOHCD/OCII Proforma (Sources and Uses, Operating Budget and 20 Year Cash Flow)
- Attachment 11: Submission Checklist

**To be completed by recommended Developers only after evaluation and interviews:**

- Attachment 12: Declaration of Nondiscrimination in Contracts and Benefits
- Attachment 13: Small Business Enterprise Agreement
- Attachment 14: Minimum Compensation Policy Declaration
- Attachment 15: HCAP Declaration
- Attachment 16: Prevailing Wage
- Attachment 17: Permanent Workforce
- Attachment 18: Construction Workforce

**For informational purposes only:**

- Attachment 19: Area Median Income and Rent Levels for 2024
- Attachment 20: Property Owner and Occupancy Preference Program (Certificate of Preference Program)
- Attachment 21: OCII Insurance Requirements
- Attachment 22: Block 4W and 4E Site Plan and Market-Rate Tower Extrusion
- Attachment 23: Tehama Street Improvement Illustration (for reference only)
- Attachment 24: Beale Street Illustration (for reference only)
- Attachment 25: Tentative Transfer Map (Survey)

# Attachment 1: Applicant Description

## A. Lead Developer Entity Information

Name of Developer	
Type of Organization ( <i>i.e.</i> 501(c)(3), corporation, LLC, etc.)	
Percentage Ownership of Proposed Project	

## B. Co-Developer Entity Information

Name of Co-Developer	
Type of Organization ( <i>i.e.</i> 501(c)(3), corporation, LLC, etc.)	
Percentage Ownership of Proposed Project	

## C. Key Personnel of Developer and Co-Developer (*repeat this section as necessary for all Key Personnel of Developer and Co-Developer; indicate which Developer each person is employed by; please place a \* next to the name of the Lead Contact Person for the Developer*)

Name	
Title and Developer entity name	
Role on Proposed Project	
Address	
Phone	
Fax	
Email	

## D. Architect Information

Name of Architect Firm	
Name of Contact Person	
Address	
Phone	
Fax	
Email	

## E. Other Personnel (*repeat this section as necessary for all Other Personnel of the Applicant, i.e. Services Provider, Property Manager, consultants, etc., who will **NOT** have any ownership interest in the proposed project*)

Name	
Title	
Role on Proposed Project	
Address	
Phone	
Fax	
Email	

*NOTE: This form will be posted along with the RFP on OCII's website and can be downloaded and filled out electronically. The completed form must be submitted as a hard copy along with all other qualifications materials as outlined in the RFP.*

# Attachment #2: Staffing Workload Form

Staff Name/Position Title	Total FTE %	% FTE By Task						Other	
		Projects (1) (2)						Administration	Miscellaneous
	100%								
	100%								
	100%								
	100%								
	100%								
	100%								
	100%								

(1) List all development projects, including the subject site, (existing or contemplated) that each person is expected to spend time on (from predev start date to start of construction)

(2) Attach additional sheets if necessary

NOTE: This form will be posted along with the RFP on OCII's website and can be downloaded and filled out electronically. However, the completed form must be submitted as a hard copy along with all other proposal materials as outlined in the RFP.

# Attachment 3: Comparable Project Experience

Please complete this chart to describe Developer’s experience in projects that are comparable to the proposed project, as defined in the RFP. Each Developer may submit up to two (2) comparable projects completed within the past ten (10) years.

Developer Name: \_\_\_\_\_

	<b>PROJECT #</b> _____
<b>Project Name and Address</b>	
<b>Developer Name</b> (if different than above)	
<b>Developer Role</b> ( <i>i.e.</i> managing partner, limited partner, consultant, etc.)	
<b>Current Project Status</b> (predev, in construction, complete)	
<b>Total Number of Residential Units</b>	
<b>Unit Mix</b> ( <i>i.e.</i> # of studios, 1-bdrms, etc.)	
<b>Total Residential Square Footage</b>	
<b>Total Square Footage of Commercial Area and Use</b> , if any	
<b>Population Served</b> (including average affordability level)	
<b>Green Building Features</b> , if any	
<b>Construction Type</b> (and indicate material, <i>i.e.</i> wood, steel, etc.)	
<b>Construction Start Date</b>	
<b>Construction Completion Date</b> (actual or estimated)	
<b>Total Development Cost</b>	
<b>Financing Sources &amp; Contact Info</b> (list entity, contact names and phone numbers for each source)	
<b>Government Affordable Housing Program</b> , if any (provide program name, agency, contact names/phone)	
<b>Budget/Schedule Variance</b> (describe any variance from budget and schedule approved at construction start; explain amount, length of time, reasons and source of funds to cover additional costs)	

*NOTE: This form will be posted along with the RFP on OCII’s website and can be downloaded and filled out electronically. The completed form must be submitted as a hard copy along with all other proposal materials as outlined in the RFP.*

# Attachment 4: San Francisco Project Experience

Please complete this chart to describe Developer’s experience in projects that are within San Francisco only. The Developer does not need to include any projects already listed under the Comparable Projects section.

Developer Name: \_\_\_\_\_

	PROJECT # _____
<b>Project Name and Address</b>	
<b>Developer Name</b> (if different than above)	
<b>Developer Role</b> ( <i>i.e.</i> managing partner, limited partner, consultant, etc.)	
<b>Current Project Status</b> (predev, in construction, complete)	
<b>Type of Project</b> ( <i>i.e.</i> family rental, senior rental, supportive housing, homeownership)	
<b>Total Number of Residential Units</b>	
<b>Unit Mix</b> ( <i>i.e.</i> # of studios, 1-bdrms, etc.)	
<b>Total Residential Square Footage</b>	
<b>Total Square Footage of Commercial Area and Use</b> , if any	
<b>Population Served</b> (including average affordability level)	
<b>Green Building Features</b> , if any	
<b>Construction Type</b> (and indicate material, <i>i.e.</i> wood, steel, etc.)	
<b>Construction Start Date</b>	
<b>Construction Completion Date</b> (actual or estimated)	
<b>Total Development Cost</b>	
<b>Financing Sources &amp; Contact Info</b> (list entity, contact names and phone numbers for each source)	
<b>Government Affordable Housing Program Involvement</b> (briefly describe)	
<b>Budget/Schedule Variance</b> (describe any variance from budget and schedule approved at construction start; explain amount, length of time, reasons and source of funds to cover additional costs)	

*NOTE: This form will be posted along with the RFP on OCII’s website and can be downloaded and filled out electronically. The completed form however must be submitted as a hard copy along with all other proposal materials as outlined in the RFP.*





## Attachment 7: Disclosure Questions

**Instructions:** Please respond completely to each question listed below using the space provided. Use a separate sheet of paper, if necessary. Please state “No” or “None” when appropriate. Do not leave a question blank or state “N/A”. If the Applicant<sup>1</sup> is an individual, then the information relative to that individual should be disclosed. If the Applicant is a group or joint venture, then information relative to each member of the group or entities that comprise the joint venture should be disclosed. If the applicant is a corporation, then the information relative to the corporation should be disclosed.

1. Has Applicant ever defaulted on a loan or other financial obligation? This includes all affiliate corporations and partnerships in which Applicant is a general partner. If so, please describe the circumstances including dates and current status.

Answer: \_\_\_\_\_  
\_\_\_\_\_

2. Are there any prior or pending legal proceedings, actions, convictions or judgments that have been filed against Applicant or its wholly owned subsidiaries, or any prior or pending arbitrations or mediations. If so, provide dates the complaints were filed and the present status of the litigation or the status of the arbitrations or mediations.

Answer: \_\_\_\_\_  
\_\_\_\_\_

3. Are there any prior or pending administrative complaint/hearing against or any debarment or suspension of or other administrative determination by any federal, state or local government entity relating to Applicant, against any of Applicant’s affiliated corporations or partnerships in which applicant is a general partner, or other business entity. If so, please describe the circumstances including dates, agency or body conducting the investigation or inquiry and the current status.

Answer: \_\_\_\_\_  
\_\_\_\_\_

4. Has Applicant or its wholly owned subsidiaries ever filed for bankruptcy? Please include dates and jurisdiction of filing, the reason, and current status.

Answer: \_\_\_\_\_  
\_\_\_\_\_

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<sup>1</sup> For the purposes of this RFP, the term “Applicant” shall mean and refer to the respondent to this RFP regardless of legal form. Thus Applicant applies to individuals, sole proprietorships, joint ventures, unincorporated associations, partnerships, LLCs, LLPs, corporations (whether for profit, nonprofit, California or out of state) and any other entity legally entitled to do business in the State of California.

5. Describe any business, property, gifts, loans, investments or other financial relationships Applicant, its individual principals, corporation, LLC, LLP or any of applicant's affiliated corporations or partnerships in which Applicant is a general partner, or other business entity, with any member of the Agency Commission or his/her immediate family which are financial interest as defined by Section 87103 of the Fair Political Practices Act.<sup>2</sup>

Answer: \_\_\_\_\_  
\_\_\_\_\_

Applicant(s) hereby certifies under penalty of perjury under the laws of the State of California that all information provided in the Disclosure Questionnaire is true and correct.

Date: \_\_\_\_\_ Signed: \_\_\_\_\_

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<sup>2</sup> In summary Government Code Section 87100 requires any public officials participating in making decisions to refrain from using their official position to influence a governmental decision in which they know or has reason to know they have a financial interest. Section 87103 defines a financial interest as one that has a material, financial effect on the official or a member of their immediate family as follows: business interest – over \$2,000; real property interest – over \$2,000; other source of income within 12 months before the decision – over \$500; gift or intermediary for donor of gift within 12 months - \$250; business entity in which the official is a director, officer, partner, trustee, employee or holds a position of management. See Government Code Section 87103 for the complete definition.

## **Attachment 8: Statement of Compliance with OCII Policies & Certification of Applicant**

Applicant(s) \_\_\_\_\_ agree(s) to comply with all of OCII's policies, including but not limited to insurance and indemnification requirements found in this RFP.

Date: \_\_\_\_\_

Signed: \_\_\_\_\_

Applicant(s) hereby certify under penalty of perjury under the laws of the State of California that all information provided in the application is true and correct.

Date: \_\_\_\_\_

Signed: \_\_\_\_\_

# Attachment 9: Offer to Negotiate Exclusively

Office of Community Investment and Infrastructure  
One South Van Ness Avenue, Fifth Floor  
San Francisco, CA 94103

Attention: Thor Kaslofsky  
Executive Director

## Exclusive Right to Negotiate

Parcel \_\_\_\_\_, Assessor's Block 3739, Lot 010 (partial)

Transbay Redevelopment Project Area

The undersigned developer ("Developer") hereby submits to the Office of Community Investment and Infrastructure ("OCII"), an Offer to Negotiate Exclusively ("Offer") for up to 90 days for the right to lease and develop the subject property, Parcel \_\_\_\_\_ (the "Site"), located **between Howard Street, Beale Street, the planned extension of Tehama Street, and the adjacent eastern portion of Transbay Block 4**, according to the development opportunity set forth in OCII's Request for Proposals dated **May 8, 2025**, hereinafter called the "RFP". This Offer may be extended for up to three (3) additional 90-day periods at the sole discretion of the Executive Director of OCII.

The 90-day Offer period shall begin on the date of the OCII Commission's approval of such Exclusive Negotiations, as memorialized by an OCII Resolution. During the Exclusive Negotiations period, OCII and Developer shall seek to complete a long-term **Ground Lease**, which shall set forth the terms of the Developer's program and development for the Site.

The Developer hereby delivers its Offer to Negotiate Payment (the "Payment") in the form of a certified check or cashier's check, unless otherwise waived by OCII, made payable to the Office of Community Investment and Infrastructure in the amount of **One Thousand Dollars (\$1,000.00)**.

This Offer to Negotiate Exclusively is made upon the following terms and conditions:

1. The Developer understands and agrees that:
  - (a) The Payment of **One Thousand Dollars (\$1,000.00)** shall become non-refundable in the event that the Commission approves the Developer for Exclusive Negotiations for development of the Site. The Payment shall be refunded to the Developer if it is not selected to enter Exclusive Negotiations.

- (b) The Offer to Negotiate Payment requirement may, at OCII's sole discretion, be waived for California-based nonprofit corporations with 501(c)(3) federal tax-exempt status.

2. The Developer agrees (1) that OCII shall have no liability whatsoever of any kind or character; and (2) that the Developer has no, and shall not obtain, any claim or claims against OCII or OCII Property (all as hereafter defined), directly or indirectly, by reason of all or any of the following:

- (a) Any aspect of the RFP including any information or material set forth herein or referred to therein.
- (b) Any modification or suspension of the RFP or any modification of the scope of the project described in the RFP, or informalities or defects therein.
- (c) Any modification of or informality or defect in the selection procedure or any act or omission of OCII with respect thereto, including, but not limited to, OCII due diligence regarding any developer, including contacts and consultations with any developer as to any matter.
- (d) The rejection of any Offer to Negotiate Exclusively, including this Offer to Negotiate Exclusively.
- (e) The acceptance by OCII of any Offer to Negotiate Exclusively, including this Offer to Negotiate Exclusively.
- (f) Entering into and thereafter engaging in Exclusive Negotiations.
- (g) The termination of Exclusive Negotiations.
- (h) Entering into any Ground Lease, Loan Agreement, Development and Disposition Agreement, or any other agreement relating to the RFP or as a result thereof.
- (i) Any statements, representations, acts or omissions of OCII in connection with all or any of the foregoing.
- (j) The exercise of any OCII discretion set forth in or with respect to any of the foregoing.
- (k) If the Developer is selected for Exclusive Negotiations but the Developer is not approved by OCII for any reason, OCII shall retain the Payment as liquidated damages. The Developer agrees that **One Thousand Dollars (\$1,000.00)** is a reasonable sum, considering all the circumstances existing at the date of this agreement, including the relationship of the sum to the range of harm to OCII that reasonably could be anticipated, and the anticipation that establishing proof of actual damages would be costly, difficult, and inconvenient. In placing their

initials below, each party specifically confirms the accuracy of the statement made above and the fact that each party was represented by counsel who explained the consequences of this liquidated damages provision at the time this agreement was made.

OCII Initials \_\_\_\_\_

Developer Initials \_\_\_\_\_

- (1) Any and all other matters arising out of or directly or indirectly connected with all or any of the foregoing.

The undersigned further, by its execution of this Offer to Negotiate Exclusively, expressly and absolutely waives any and all claims against OCII and OCII Property, directly or indirectly arising out of or in any way connected with all or any of the foregoing.

For purposes of this Section 3, the word "OCII" includes its members, officers, employees, agents, successors, and assigns; and the words "OCII Property" include property which is the subject of the RFP and all other property of OCII, real, personal or of any other kind or character. The words "claim or claims" include any and all protests, rights, remedies, interests, objections, claims, demands, actions, or causes of action of every kind or character whatsoever, in law or equity, for money or otherwise, including but not limited to claims for loss, expense or damage, claims to property, real or personal, or rights or interests therein, and claims to contract or development rights or development interests of any kind or character in any OCII property. The words "Developer" or "developers" includes any person, entity or group responding to OCII's RFP through an executed Offer to Negotiate Exclusively.

3. The Developer understands that the nature and type of development is subject to the approval of OCII. The Developer further understands that it will be required to make full disclosure to OCII of its principal officers, stockholders, members, and all other pertinent information concerning the Developer and its associates.

4. The Developer understands that its selection of an architect and any other principal association of the undersigned Developer for the purpose of developing the Site is subject to the approval of OCII.

5. If OCII accepts its Offer to Negotiate Exclusively, the Developer understands that there shall be no change in its composition or any interest therein by transfer, assignment or otherwise, nor any interest therein or any part thereof, to any person or entity without the prior written consent of OCII after approval by the OCII Commission.

6. The Developer understands that if it is not selected to enter Exclusive Negotiations in the event of the rejection of the undersigned and/or the selection of another developer, the **One Thousand Dollar (\$1,000.00)** Offer to Negotiate Payment shall be returned to the undersigned Developer, without interest.

7. The Developer understands that the OCII Commission must approve and authorize acceptance of this Offer and any extension of the up to 90-day negotiations period.

8. The Developer understands that during the period of Exclusive Negotiations it will negotiate in good faith any and all agreements between itself and OCII that the OCII requires.
9. The Developer understands that negotiations may be extended beyond the up to 90-day period by agreement of OCII and itself to enable the undersigned Developer and OCII to negotiate any and all agreements required by OCII.
10. The Developer understands that OCII will not solicit or consider any other qualifications submittals or negotiate with any other developer during the period of Exclusive Negotiations.
11. The Developer understands that if negotiations culminate in agreements with OCII, such agreements become final only after and if the agreements have been considered and approved by the OCII Commission, and, as applicable, the San Francisco Board of Supervisors after public hearings, and the agreements are thereafter duly executed.
12. The Developer understands that it, as well as its consultants, contractors, subcontractors and tenants, will be required as part of any agreement approved under Paragraph 10 above to comply with OCII's Equal Opportunity Program requirements throughout the development process, including the submission of an Equal Opportunity Program for OCII approval. The Developer understands that OCII's Contract Compliance division is available to assist in formulating an Equal Opportunity Program.
13. The Developer understands that it, as well as its contractors and subcontractors, will be required as part of any agreement approved under Paragraph 12 above to comply with OCII's Prevailing Wage Provisions (Labor Standards) throughout the development process. The Developer acknowledges that the Prevailing Wage Provisions are set forth as an attachment to the RFP and that OCII's Contract Compliance Division is available to assist in the interpretation and implementation of such provisions.
14. The Developer acknowledges that it has read the RFP and by this offer further acknowledges and accepts all of the matters set forth therein. The Developer understands that failure to include all required information required by the RFP may be grounds for rejecting this offer.

The parties hereby agree to the terms of this Offer to Negotiate Exclusively, as indicated by the signatures of their authorized representatives, below:

OFFICE OF COMMUNITY  
INVESTMENT AND INFRASTRUCURE:

DEVELOPER:

By \_\_\_\_\_  
Executive Director

By: \_\_\_\_\_  
Title:

Date \_\_\_\_\_

Date \_\_\_\_\_

By: \_\_\_\_\_  
Title:

Date \_\_\_\_\_

## **Attachment 10**

Excel format pro forma:

- Sources and uses budgets
- Operating budgets
- Cash flow

Application Date: # Units:  
 Project Name: # Bedrooms:   
 Project Address: # Beds:   
 Project Sponsor:

Don't forget to fill in D135:D138!

SOURCES	Total Sources						Comments
Name of Sources: MOHCD/OCII	-	-	-	-	-	-	

USES

ACQUISITION

Acquisition cost or value								0
Legal / Closing costs / Broker's Fee								0
Holding Costs								0
Transfer Tax								0
<b>TOTAL ACQUISITION</b>	<b>0</b>							

CONSTRUCTION (HARD COSTS)

* Unit Construction/Rehab								0	Include FF&E
* Commercial Shell Construction								0	
* Demolition								0	
* Environmental Remediation								0	
* Onsite Improvements/Landscaping								0	
* Offsite Improvements								0	
* Infrastructure Improvements								0	HOPE SF/OCII costs for streets etc.
Parking								0	
GC Bond Premium/GC Insurance/GC Taxes								0	
GC Overhead & Profit								0	
CG General Conditions								0	
<i>Sub-total Construction Costs</i>	<i>0</i>								
Design Contingency (remove at DD)								0	\$45MM+
Bid Contingency (remove at bid)								0	\$45MM+
Plan Check Contingency (remove/reduce during Plan Review)								0	\$45MM+
Hard Cost Construction Contingency								0	5% new construction / 15% rehab
<i>Sub-total Construction Contingencies</i>	<i>0</i>								
<b>TOTAL CONSTRUCTION COSTS</b>	<b>0</b>								

Construction line item costs as a % of hard costs

SOFT COSTS

Architecture & Design

Architect design fees								0	See MOHCD A&E Fee Guidelines: <a href="http://sfmohcd.org/documents-reports-and-forms">http://sfmohcd.org/documents-reports-and-forms</a>
Design Subconsultants to the Architect (incl. Fees)								0	
Architect Construction Admin								0	
Reimbursables								0	
Additional Services								0	
<i>Sub-total Architect Contract</i>	<i>0</i>								
Other Third Party design consultants (not included under Architect contract)								0	Consultants not covered under architect contract; name consultant type and contract amount
<b>Total Architecture &amp; Design</b>	<b>0</b>								

Engineering & Environmental Studies

Survey								0	
Geotechnical studies								0	
Phase I & II Reports								0	
CEQA / Environmental Review consultants								0	
NEPA / 106 Review								0	
CNA/PNA (rehab only)								0	
Other environmental consultants								0	Name consultants & contract amounts
<b>Total Engineering &amp; Environmental Studies</b>	<b>0</b>								

Financing Costs

<b>Construction Financing Costs</b>								0	
Construction Loan Origination Fee								0	
Construction Loan Interest								0	
Title & Recording								0	
CDLAC & CDIAC fees								0	
Bond Issuer Fees								0	
Other Bond Cost of Issuance								0	
Other Lender Costs (specify)								0	
<i>Sub-total Const. Financing Costs</i>	<i>0</i>								
<b>Permanent Financing Costs</b>								0	
Permanent Loan Origination Fee								0	
Credit Enhance. & Appl. Fee								0	
Title & Recording								0	
<i>Sub-total Perm. Financing Costs</i>	<i>0</i>								
<b>Total Financing Costs</b>	<b>0</b>								

Legal Costs

Borrower Legal fees								0	
Land Use / CEQA Attorney fees								0	
Tax Credit Counsel								0	
Bond Counsel								0	
Construction Lender Counsel								0	
Permanent Lender Counsel								0	
* Other Legal (specify)								0	
<b>Total Legal Costs</b>	<b>0</b>								

Other Development Costs

Appraisal								0	
Market Study								0	
* Insurance								0	
* Property Taxes								0	
Accounting / Audit								0	
* Organizational Costs								0	
Entitlement / Permit Fees								0	
* Marketing / Rent-up								0	
* Furnishings								0	\$2,000/unit; See MOHCD U/W Guidelines on: <a href="http://sfmohcd.org/documents-reports-and-forms">http://sfmohcd.org/documents-reports-and-forms</a>
PGE / Utility Fees								0	
TCAC App / Alloc / Monitor Fees								0	
* Financial Consultant fees								0	
Construction Management fees / Owner's Rep								0	
Security during Construction								0	
* Relocation								0	
Other (specify)								0	
Other (specify)								0	
Other (specify)								0	
<b>Total Other Development Costs</b>	<b>0</b>								

Soft Cost Contingency as % of Total Applicable Soft Costs

Soft Cost Contingency

Contingency (Arch, Eng, Fin, Legal & Other Dev)	0	0	0	0	0	0	0	0	Should be either 10% or 5% of total soft costs.
<b>TOTAL SOFT COSTS</b>	<b>0</b>								

RESERVES

* Operating Reserves								0	
Replacement Reserves								0	
* Tenant Improvements Reserves								0	
* Other (specify)								0	
* Other (specify)								0	
* Other (specify)								0	
<b>TOTAL RESERVES</b>	<b>0</b>								

DEVELOPER COSTS

Developer Fee - Cash-out Paid at Milestones								0	
Developer Fee - Cash-out At Risk								0	
Commercial Developer Fee								0	
Developer Fee - GP Equity (also show as source)								0	
Developer Fee - Deferred (also show as source)								0	
Development Consultant Fees								0	Need MOHCD approval for this cost, N/A for most projects
Other (specify)								0	
<b>TOTAL DEVELOPER COSTS</b>	<b>0</b>								

TOTAL DEVELOPMENT COST

Development Cost/Unit by Source	0	0	0	0	0	0	0	0	
Development Cost/Unit as % of TDC by Source									

Acquisition Cost/Unit by Source

--	--	--	--	--	--	--	--	--	--

Construction Cost (inc Const Contingency)/Unit By Source

--	--	--	--	--	--	--	--	--	--

\*Possible non-eligible GO Bond/COP Amount:

City Subsidy/Unit	0								
-------------------	---	--	--	--	--	--	--	--	--

Tax Credit Equity Pricing:

Construction Bond Amount:		Fill in with value or 'N/A' if not applicable.
Construction Loan Term (in months):		Fill in with value or 'N/A' if not applicable.
Construction Loan Interest Rate (as %):		Fill in with value or 'N/A' if not applicable.

**Application Date:****Total # Units:****0****First Year of Operations** (provide data assuming that Year 1 is a full year, i.e. 12 months of operations):

<b>INCOME</b>	<b>Total</b>
Residential - Tenant Rents	0
Residential - Tenant Assistance Payments (SOS Payments)	0
Residential - Tenant Assistance Payments (Other Non-LOSP)	0
Residential - LOSP Tenant Assistance Payments	0
Commercial Space	0
Residential Parking	0
Miscellaneous Rent Income	0
Supportive Services Income	
Interest Income - Project Operations	0
Laundry and Vending	0
Tenant Charges	0
Miscellaneous Residential Income	0
Other Commercial Income	0
Withdrawal from Capitalized Reserve (deposit to operating account)	
<b>Gross Potential Income</b>	<b>0</b>
Vacancy Loss - Residential - Tenant Rents	0
Vacancy Loss - Residential - Tenant Assistance Payments	0
Vacancy Loss - Commercial	0
<b>EFFECTIVE GROSS INCOME</b>	<b>0</b>
<b>OPERATING EXPENSES</b>	
<b>Management</b>	
Management Fee	
Asset Management Fee	
<b>Sub-total Management Expenses</b>	<b>0</b>
<b>Salaries/Benefits</b>	
Office Salaries	0
Manager's Salary	0
Health Insurance and Other Benefits	
Other Salaries/Benefits	
Administrative Rent-Free Unit	
<b>Sub-total Salaries/Benefits</b>	<b>0</b>
<b>Administration</b>	
Advertising and Marketing	
Office Expenses	
Office Rent	



Required Reserve Deposit/s, Commercial	0
<b>Sub-total Reserves/Ground Lease Base Rent/Bond Fees</b>	<b>0</b>

**TOTAL OPERATING EXPENSES** (w/ Reserves/GL Base Rent/ Bond) **0**

**NET OPERATING INCOME** (INCOME minus OP EXPENSES) **0**

**DEBT SERVICE/MUST PAY PAYMENTS** ("hard debt"/amortized loans)

Hard Debt - First Lender	0
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Le	0
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0
Hard Debt - Fourth Lender	0
Commercial Hard Debt Service	0
<b>TOTAL HARD DEBT SERVICE</b>	<b>0</b>

**CASH FLOW** (NOI minus DEBT SERVICE) **0**

**USES OF CASH FLOW BELOW** (This row also shows DSCR.)

**USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL**

"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	
Partnership Management Fee (see policy for limits)	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	
Other Payments	
Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field)	
Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field)	
Deferred Developer Fee (Enter amt <= Max Fee from cell I130)	

**TOTAL PAYMENTS PRECEDING MOHCD** **0**

**RESIDUAL RECEIPTS** (CASH FLOW minus PAYMENTS) **0**

**Residual Receipts Calculation**

Does Project have a MOHCD Residual Receipt Obligation?	<b>0</b>
Will Project Defer Developer Fee?	<b>TBD</b>
Max <b>Deferred Developer Fee/Borrower</b> % of Residual Receipts in Yr 1	100%
% of Residual Receipts available for distribution to <b>soft debt lenders</b> in	0%

**Soft Debt Lenders with Residual Receipts Obligations**

*(Select lender name)*

MOHCD/OCII - Soft Debt Loans	All MOHCD/OCII L
MOHCD/OCII - Ground Lease Value or Land Acq Cost	Ground Lease V:
HCD (soft debt loan) - Lender 3	
Other Soft Debt Lender - Lender 4	
Other Soft Debt Lender - Lender 5	

**MOHCD RESIDUAL RECEIPTS DEBT SERVICE**

MOHCD Residual Receipts Amount Due	0
Proposed MOHCD Residual Receipts Amount to Loan Repayment	0

Proposed MOHCD Residual Receipts Amount to Residual Ground Lease	0
Proposed MOHCD Residual Receipts Amount to Replacement Reserve	0
<b>REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS</b>	<b>0</b>

**NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE**

HCD Residual Receipts Amount Due	0
Lender 4 Residual Receipts Due	0
Lender 5 Residual Receipts Due	0
<b>Total Non-MOHCD Residual Receipts Debt Service</b>	<b>0</b>

**REMAINDER (Should be zero unless there are distributions below)**

Owner Distributions/Incentive Management Fee	0
Other Distributions/Uses	0
<b>Final Balance (should be zero)</b>	<b>0</b>



Total # Units: -

			Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
			10	11	12	13	14	15	16	17	18	19
	% annual increase	Comments (related to annual inc assumptions)	Total									
<b>INCOME</b>												
Residential - Tenant Rents	2.5%		-	-	-	-	-	-	-	-	-	-
Residential - SOS Payments	4.0%		-	-	-	-	-	-	-	-	-	-
Residential - Tenant Assistance Payments (Other Non-LOSP)	n/a		-	-	-	-	-	-	-	-	-	-
Commercial Space	2.5%	from Commercial Op. Budget Worksheet, Commercial to Residential allocation: 100%	-	-	-	-	-	-	-	-	-	-
Residential Parking	2.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%		-	-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%		-	-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%		-	-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%		-	-	-	-	-	-	-	-	-	-
Tenant Charges	2.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income	2.5%		-	-	-	-	-	-	-	-	-	-
Other Commercial Income	2.5%	from Commercial Op. Budget Worksheet, Commercial to Residential allocation: 100%	-	-	-	-	-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	Link from Reserve Section below, as applicable	-	-	-	-	-	-	-	-	-	-
<b>Gross Potential Income</b>			-	-	-	-	-	-	-	-	-	-
Vacancy Loss - Residential - Tenant Rents	n/a	Linked from 1st Year Op Budget or Commercial Op Budget	-	-	-	-	-	-	-	-	-	-
Vacancy Loss - Residential - Tenant Assistance Payments	n/a		-	-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial	n/a		-	-	-	-	-	-	-	-	-	-
<b>EFFECTIVE GROSS INCOME</b>			-	-	-	-	-	-	-	-	-	-
<b>OPERATING EXPENSES</b>												
<b>Management</b>												
Management Fee	3.5%	1st Year to be set according to HUD schedule.	-	-	-	-	-	-	-	-	-	-
Asset Management Fee	3.5%	per MOHCD policy	-	-	-	-	-	-	-	-	-	-
<b>Sub-total Management Expenses</b>			-	-	-	-	-	-	-	-	-	-
<b>Salaries/Benefits</b>												
Office Salaries	3.5%		-	-	-	-	-	-	-	-	-	-
Manager's Salary	3.5%		-	-	-	-	-	-	-	-	-	-
Health Insurance and Other Benefits	3.5%		-	-	-	-	-	-	-	-	-	-
Other Salaries/Benefits	3.5%		-	-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%		-	-	-	-	-	-	-	-	-	-
<b>Sub-total Salaries/Benefits</b>			-	-	-	-	-	-	-	-	-	-
<b>Administration</b>												
Advertising and Marketing	3.5%		-	-	-	-	-	-	-	-	-	-
Office Expenses	3.5%		-	-	-	-	-	-	-	-	-	-
Office Rent	3.5%		-	-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%		-	-	-	-	-	-	-	-	-	-
Audit Expense	3.5%		-	-	-	-	-	-	-	-	-	-
Bookkeeping/Accounting Services	3.5%		-	-	-	-	-	-	-	-	-	-
Bad Debts	3.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous	3.5%		-	-	-	-	-	-	-	-	-	-
<b>Sub-total Administration Expenses</b>			-	-	-	-	-	-	-	-	-	-
<b>Utilities</b>												
Electricity	3.5%		-	-	-	-	-	-	-	-	-	-
Water	3.5%		-	-	-	-	-	-	-	-	-	-
Gas	3.5%		-	-	-	-	-	-	-	-	-	-
Sewer	3.5%		-	-	-	-	-	-	-	-	-	-
<b>Sub-total Utilities</b>			-	-	-	-	-	-	-	-	-	-
<b>Taxes and Licenses</b>												
Real Estate Taxes	3.5%		-	-	-	-	-	-	-	-	-	-
Payroll Taxes	3.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous Taxes, Licenses and Permits	3.5%		-	-	-	-	-	-	-	-	-	-
<b>Sub-total Taxes and Licenses</b>			-	-	-	-	-	-	-	-	-	-
<b>Insurance</b>												
Property and Liability Insurance	3.5%		-	-	-	-	-	-	-	-	-	-
Fidelity Bond Insurance	3.5%		-	-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%		-	-	-	-	-	-	-	-	-	-
Director's & Officers' Liability Insurance	3.5%		-	-	-	-	-	-	-	-	-	-
<b>Sub-total Insurance</b>			-	-	-	-	-	-	-	-	-	-
<b>Maintenance &amp; Repair</b>												
Payroll	3.5%		-	-	-	-	-	-	-	-	-	-
Supplies	3.5%		-	-	-	-	-	-	-	-	-	-
Contracts	3.5%		-	-	-	-	-	-	-	-	-	-
Garbage and Trash Removal	3.5%		-	-	-	-	-	-	-	-	-	-
Security Payroll/Contract	3.5%		-	-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%		-	-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%		-	-	-	-	-	-	-	-	-	-
<b>Sub-total Maintenance &amp; Repair Expenses</b>			-	-	-	-	-	-	-	-	-	-
Supportive Services	3.5%		-	-	-	-	-	-	-	-	-	-
Commercial Expenses		from Commercial Op. Budget Worksheet, Commercial to Residential allocation: 100%	-	-	-	-	-	-	-	-	-	-
<b>TOTAL OPERATING EXPENSES</b>			-	-	-	-	-	-	-	-	-	-
<b>Reserves/Ground Lease Base Rent/Bond Fees</b>												
Ground Lease Base Rent		iple cells.	-	-	-	-	-	-	-	-	-	-
Bond Monitoring Fee			-	-	-	-	-	-	-	-	-	-
Replacement Reserve Deposit			-	-	-	-	-	-	-	-	-	-
Operating Reserve Deposit			-	-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit			-	-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit			-	-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial		from Commercial Op. Budget Worksheet, Commercial to Residential allocation: 100%	-	-	-	-	-	-	-	-	-	-
<b>Sub-total Reserves/Ground Lease Base Rent/Bond Fees</b>			-	-	-	-	-	-	-	-	-	-
<b>TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)</b>			-	-	-	-	-	-	-	-	-	-
<b>NET OPERATING INCOME (INCOME minus OP EXPENSES)</b>			-	-	-	-	-	-	-	-	-	-
<b>DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)</b>												
Hard Debt - First Lender		iple cells.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)		iple cells.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)		iple cells.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender		iple cells.	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service		from Commercial Op. Budget Worksheet, Commercial to Residential allocation: 100%	-	-	-	-	-	-	-	-	-	-
<b>TOTAL HARD DEBT SERVICE</b>			-	-	-	-	-	-	-	-	-	-
<b>CASH FLOW (NOI minus DEBT SERVICE)</b>												
<b>USES OF CASH FLOW BELOW (This row also shows DSCR.)</b>												
<b>USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL</b>												
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	per MOHCD policy	-	-	-	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	per MOHCD policy	-	-	-	-	-	-	-	-	-	-
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	0.0%	per MOHCD policy no annual increase	-	-	-	-	-	-	-	-	-	-
<b>Other Payments</b>												
Non-amortizing Loan Pmnt - Lender 1		Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2		Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)			-	-	-	-	-	-	-	-	-	-
<b>TOTAL PAYMENTS PRECEDING MOHCD</b>			-	-	-	-	-	-	-	-	-	-
<b>RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)</b>												
Does Project have a MOHCD Residual Receipt Obligation?		TBD										
Will Project Defer Developer Fee?		0% / 100%										
Residual Receipts split for all years. - Lender/Owner												
<b>MOHCD RESIDUAL RECEIPTS DEBT SERVICE</b>												
MOHCD Residual Receipts Amount Due	100.00%	Dist. Soft Debt Loans	-	-	-	-	-	-	-	-	-	-
Proposed MOHCD Residual Receipts Amount to Loan Repayment		Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy	-	-	-	-	-	-	-	-	-	-
<b>NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE</b>												
HCD Residual Receipts Amount Due	0.00%	No HCD financing	-	-	-	-	-	-	-	-	-	-
Lender 4 Residual Receipts Due	0.00%		-	-	-	-	-	-	-	-	-	-
Lender 5 Residual Receipts Due	0.00%		-	-	-	-	-	-	-	-	-	-
<b>Total Non-MOHCD Residual Receipts Debt Service</b>			-	-	-	-	-	-	-	-	-	-
<b>REMAINDER (Should be zero unless there are distributions)</b>												
Owner Distributions/Incentive Management Fee			-	-	-	-	-	-	-	-	-	-
Other Distributions/Uses			-	-	-	-	-	-	-	-	-	-
<b>Final Balance (should be zero)</b>			-	-	-	-	-	-	-	-	-	-
<b>REPLACEMENT RESERVE - RUNNING BALANCE</b>												
Replacement Reserve Starting Balance			-	-	-	-	-	-	-	-	-	-
Replacement Reserve Deposits			-	-	-	-	-	-	-	-	-	-
Replacement Reserve Withdrawals (ideally tied to CNA)			-	-	-	-	-	-	-	-	-	-
Replacement Reserve Interest			-	-	-	-	-	-	-	-	-	-
<b>RR Running Balance</b>			-	-	-	-	-	-	-	-	-	-
<b>OPERATING RESERVE - RUNNING BALANCE</b>												
Operating Reserve Starting Balance			-	-	-	-	-	-	-	-	-	-
Operating Reserve Deposits			-	-	-	-	-	-	-	-	-	-
Operating Reserve Withdrawals			-	-	-	-	-	-	-	-	-	-
Operating Reserve Interest			-	-	-	-	-	-	-	-	-	-
<b>OR Running Balance</b>			-	-	-	-	-	-	-	-	-	-
<b>OTHER REQUIRED RESERVE 1 - RUNNING BALANCE</b>												
Other Reserve 1 Starting Balance			-	-	-	-	-	-	-	-	-	-
Other Reserve 1 Deposits			-	-	-	-	-	-	-	-	-	-
Other Reserve 1 Withdrawals			-	-	-	-	-	-	-	-	-	-
Other Reserve 1 Interest			-	-	-	-	-	-	-	-	-	-
<b>Other Required Reserve 1 Running Balance</b>			-	-	-	-	-	-	-	-	-	-
<b>OTHER RESERVE 2 - RUNNING BALANCE</b>												
Other Reserve 2 Starting Balance			-	-	-	-	-	-	-	-	-	-
Other Reserve 2 Deposits			-	-	-	-	-	-	-	-	-	-
Other Reserve 2 Withdrawals			-	-	-	-	-	-	-	-	-	-
Other Reserve 2 Interest			-	-	-	-	-	-	-	-	-	-
<b>Other Required Reserve 2 Running Balance</b>			-	-	-	-	-	-	-	-	-	-

# Attachment 11: Submission Requirements Checklist

Section Check off all items contained in the qualifications submittal and sign and date below.  
 (Please put "N/A" for any items that are not applicable to your submittal.)

**VI. A DEVELOPMENT CONCEPT & FINANCING PROPOSAL**

- 1 Project Description Narrative (max. 4 pages)
- 2 Alternative Development Scenario: Single Building Narrative (max. 2 pages)
- 3 Financing Plan Narrative (max. 3 pages)
- 3.a Sources and Uses Budgets (one each for the Senior Project, Family Project, and Tehama Improvements):  
Attachment 10, Tab 4b
- 3.b Operating Budget (one each for the Senior Project and Family Project): Attachment 10, Tab 6
- 3.c Cash Flow (one each for the Senior and Family Project): Attachment 10, Tab 7a
- 4 Community Engagement and Marketing Plan Narrative (max. 3 pages)
- 5 Workforce and Contracting Action Plan Narrative (max. 3 pages)
- 6 Services Plan Narrative and Budget (max. 2 pages)
- 7.a Massing Concept Narrative (max. 3 pages)
- 7.b.i 3-D Massing Diagrams (2 diagrams)
- 7.b.ii Site Plan
- 7.b.iii Sections (2 site sections)
- 7.b.iv Floor Plans (for each floor)

**VI. B APPLICANT DESCRIPTION**

- 1 Applicant Structure and Approach Narrative (max. 2 pages)
- 2 MOU
- 3 Applicant Description Form: Attachment 1
- 4 Résumés

**VI. C DEVELOPER AND CO-DEVELOPER EXPERIENCE AND CAPACITY**

- 1 Developer and Co-Developer Experience Narrative (max. 2 pages)
- 2 Developer and Co-Developer Workload Capacity (one for each Developer entity): Attachment 2
- 3 Developer and Co-Developer Experience in Comparable Projects: Attachment 3
- 4 Developer and Co-Developer Experience in Other San Francisco Projects: Attachment 4

**VI. D ARCHITECT EXPERIENCE AND CAPACITY**

- 1 Architect's Experience Narrative (max. 2 pages)
- 2 Architect's Workload Capacity: Attachment 2
- 3 Architect's Experience in Comparable Projects: Project Descriptions, Photos & Floorplan

**VI. E PROPERTY MANAGER EXPERIENCE AND CAPACITY**

- 1 Property Manager's Experience Narrative (max. 2 pages)
- 2 Property Management Experience in Comparable Projects: Attachment 5

**VI. F SERVICES PROVIDER EXPERIENCE AND CAPACITY**

- 1 Service Provider's Experience Narrative (max. 2 pages)
- 2 Service Provider's Experience in Comparable Projects: Attachment 6

**VI. G OTHER REQUIRED INFORMATION**

- 1 Disclosure Questions: Attachment 7
- 2 Statement of Compliance with OCII Policies: Attachment 8
- 3.a Offer to Negotiate Exclusively Form: Attachment 9
- 3.b Offer to Negotiate Exclusively Deposit
- 4 Submission Checklist: Attachment 11
- 5 Organizational Documents (Developer/Co-Developer)
- 5.a Certificate of good standing from California Secretary of State
- 5.b Certification of 501(c)(3) status from the Internal Revenue Services
- 5.c Certification of 501(c)(3) status from the California Franchise Tax Board
- 5.d.i Federal Tax Returns (last 2 years), **or**
- 5.d.ii Audited Financial Statements (last 2 years)

Applicant hereby certifies that all items checked on this form are included in the qualifications submittal.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## Attachment #12



**OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCTURE (OCII)**  
**(SUCCESSOR TO THE SAN FRANCISCO REDEVELOPMENT AGENCY)**  
**DECLARATION FORM**  
**Nondiscrimination in Contracts and Benefits**

### Section A

Is your company/organization currently certified by the City and County of San Francisco in compliance with Administrative Code 12B Equal Benefits Ordinance and will your company/organization ensure nondiscrimination in contracts and benefits pursuant to 12B on OCII contracts? If yes, please indicate below, skip Section B, and execute the Declaration in Section C. If no, please skip Section A and complete Sections B and C.

- My company/organization is certified and compliant with the 12B Equal Benefits Ordinance of the City and County of San Francisco and there has been no change in our 12B Declaration since certification. My company/organization agrees to ensure nondiscrimination in contracts and benefits pursuant to 12B on OCII contracts. (Please check box to affirm, if applicable)

### Section B

#### 1. Nondiscrimination—Protected Classes

- a. Is it your company/organization's policy that you will not discriminate against your employees, applicants for employment, employees of the Office of Community Investment and Infrastructure (successor to the San Francisco Redevelopment Agency) (Agency), or City and County of San Francisco (City), or members of the public for the following reasons:

- |                           |                              |                             |
|---------------------------|------------------------------|-----------------------------|
| • Race                    | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| • color                   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| • Creed                   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| • Religion                | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| • ancestry                | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| • national origin         | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| • Age                     | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| • sex                     | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| • sexual orientation      | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| • gender identity         | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| • marital status          | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| • domestic partner status | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| • Disability              | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| • AIDS or HIV status      | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

- b. Do you agree to insert a similar nondiscrimination provision in any subcontract you enter into for the performance of a substantial portion of the contract that you have with the Agency or the City?

Yes  No

*If you answered "no" to any part of Question 1a or 1b, the Agency or the City cannot do business with you.*

#### 2. Nondiscrimination—Equal Benefits (Question 2 does not apply to subcontracts or subcontractors)

- a. Do you provide, or offer access to, any benefits to employees with spouses or to spouses of employees?

Yes  No

- b. Do you provide, or offer access to, any benefits to employees with domestic partners (Partners) or to domestic partners of employees?

Yes  No

*If you answered "no" to both Questions 2a and 2b, skip 2c and 2d, and sign, date and return this form. If you answered "yes" to Question 2a or 2b, continue to 2c.*

- c. If "yes," please indicate which ones. This list is not intended to be exhaustive. Please list any other benefits you provide (even if the employer does not pay for them).



# Attachment #13

## SMALL BUSINESS ENTERPRISE AGREEMENT

The company or entity executing this Small Business Enterprise Agreement, by and through its duly authorized representative, hereby agrees to use good faith efforts to comply with all of the following:

**I. PURPOSE.** The purpose of entering into this Small Business Enterprise Program agreement (“**SBE Program**”) is to establish a set of Small Business Enterprise (“SBE”) participation goals and good faith efforts designed to ensure that monies are spent in a manner which provides SBEs with an opportunity to compete for and participate in contracts by or at the behest of the Successor Agency to the San Francisco Redevelopment Agency (“**Agency**”) and/or the Agency-Assisted Contractor. A genuine effort will be made to give First Consideration to Project Area SBEs and San Francisco-based SBEs before looking outside of San Francisco.

**II. APPLICATION.** The SBE Program applies to all Contractors and their subcontractors seeking work on Agency-Assisted Projects on or after November 17, 2004 and any Amendment to a Pre-existing Contract.

**III. GOALS.** The Agency’s SBE Participation Goals are:

<b>CONSTRUCTION</b>	<b>50%</b>
<b>PROFESSIONAL SERVICES</b>	<b>50%</b>
<b>SUPPLIERS</b>	<b>50%</b>

**IV. TRAINEE HIRING GOAL.** In addition to the goals set forth above in Section III, there is a trainee hiring goal for all design professionals (architects, engineers, planners, and environmental consultants) on contracts or subcontracts over \$100,000. The trainee hiring goal requires architects, engineers and other design professionals only to hire qualified San Francisco residents as trainees. The trainee hiring goal is based upon the total amount of the design professional’s contract as follows:

<u>Trainees</u>	<u>Design Professional Fees</u>
0	\$ 0 – \$99,000
1	\$ 100,000 – \$249,999
2	\$ 250,000 – \$499,999
3	\$ 500,000 – \$999,999
4	\$1,000,000 – \$1,499,999
5	\$1,500,000 – \$1,999,999
6	\$2,000,000 – \$4,999,999
7	\$5,000,000 – \$7,999,999
8	\$8,000,000 – or more

**A. Procedures For Trainee Hires**

**1. Compliance with the Trainee Hiring Goal**

Design professionals will be deemed in compliance with this Agreement by meeting or exceeding the trainee hiring goal or by take the following steps in good faith towards compliance.

2. **Execution and Incorporation of this Agreement to Sub-agreements**

The Agency-Assisted Contractor shall execute this Agreement and shall incorporate by reference or attach this Agreement to its contract(s) with the architects, engineers and other design professionals. Thus, each design professional (regardless of tier) will be obligated to comply with the terms of this Agreement. The Agency-Assisted Contractor and/or the design professionals shall retain the executed Agreements and make them available to the Agency Compliance Officer upon request.

3. **Contact Educational Institutions**

Each design professional shall call the City and County of San Francisco Office of Economic and Workforce Development (OEWD) or educational institution(s) and request referrals for the required trainee positions. The request will indicate generally: (1) the number of trainees sought; (2) the required skills set (keeping in mind that these are trainee positions); (3) a brief description of job duties; (4) the duration of the trainee period; and (5) any other information that would be helpful or necessary for the educational institution or OEWD to make the referral. The minimum duration of assignment is part-time for one semester. However, design professionals are strongly encouraged to offer longer trainee employment periods to allow a more meaningful learning experience. (For example, a half-time or full-time assignment over the summer.) Although the initial contact shall be made by phone, the educational institution(s) or OEWD may require the design professionals to send a confirming letter or complete its form(s). Each design professional is required to timely provide all of the information requested by the OEWD or educational institution(s) in order to get the referrals.

4. **Response from Educational Institutions**

Each educational institution may have a different way of referring applicants, such as: sending resumes directly to the design professional; having the applicant contact the design professional by phone; require design professionals to conduct on-campus interviews; or some other method. The timing and method of the response will normally be discussed with the design professional during the initial phone request. The design professional is required to follow the process set by the educational institution(s) in order to get the referrals.

5. **Action by Design Professionals When Referrals Available**

The design professional shall interview each applicant prior to making the decision to hire or not to hire. The design professional shall make the final determination whether the applicant is qualified for the trainee position and the ultimate hiring decision. The Agency strongly encourages the design professional to hire a qualified San Francisco resident referred by the educational institution(s). The design professional shall notify the educational institution in writing of the hiring decision.

6. **Action by Design Professionals When Referrals Unavailable**

If after contacting two or more educational institutions the design professional is informed that no San Francisco residents are currently available, then the design professional should wait thirty (30) days and contact the educational institutions a second time to inquire whether qualified San Francisco residents are currently available for hire as trainees. If no qualified San Francisco residents are currently available after the second request, then the design professional has fulfilled its obligation under this Agreement, provided that the design professional has acted in good faith. The design professional must retain its file on all of the steps it took to comply with this Section IV and submit a copy of its file to the Agency Compliance Officer upon request.

7. **Action by Design Professional When No Response From Educational Institutions**

If a design professional has not received a response to its request for referrals from any of the

educational institutions within five (5) business days after the design professional has fully complied with the procedures, if any, set by the educational institution(s) for obtaining referrals, then the design professional should immediately advise the Agency Compliance Officer by phone, fax or email. The Agency Compliance Officer or his/her designee shall cause the educational institution(s) to respond to the design professional within five (5) business days of the Agency Compliance Officer being notified. If the design professional still has not received a response from the educational institution(s) after this additional five (5) business day period has run, then the design professional has fulfilled its obligation under this Section IV, provided that the design professional has acted in good faith. Each design professional must retain its file on all of the steps it took to comply with this Agreement and submit a copy of its file to the Agency Compliance Officer upon request.

8. **Termination of Trainee for Cause**

If at any time during the Term, it becomes necessary to terminate for cause a trainee who was hired under this Agreement and the design professional has not met the minimum duration requirements under this policy, then the design professional shall hire a new trainee by following the process set forth above.

**B. Reporting Requirements For Trainee Hires**

1. **Reporting**

Upon completion of the Term of the Agreement or the term of the design professional's contract with the Agency-Assisted Contractor, whichever is less, the design professional (i.e. Employer) shall fax or email a report to the Agency Compliance Officer stating in detail: (1) the names of the San Francisco resident(s) interviewed for trainee positions; (2) the date(s) of each interview; (3) the reasons for not hiring the San Francisco resident(s) interviewed; (4) the name, address, gender and racial/ethnic background of the successful candidate for the trainee position; and (5) the number of San Francisco residents hired as trainees.

2. **Report on Terminations**

In the event a San Francisco resident hired pursuant to this Agreement is terminated for cause, the responsible design professional shall within five (5) days fax or email a termination report to the Agency Compliance Officer stating in detail: (1) the name of the trainee(s) terminated; (2) his/her job title and duties; (3) the reasons and circumstances leading to the termination(s); and (4) whether the design professional replaced the trainee(s).

**V. TERM.** The obligations of the Agency-Assisted Contractor and/or Contractor(s) with respect to SBE Program shall remain in effect until completion of all work to be performed by the Agency-Assisted Contractor in connection with the original construction of the site and any tenant improvements on the site performed by or at the behest of the Agency-Assisted Contractor unless another term is specified in the Agency-Assisted Contract or Contract.

**VI. FIRST CONSIDERATION.** First consideration will be given by the Agency or Agency-Assisted Contractor in awarding contracts in the following order: (1) Project Area SBEs, (2) San Francisco-based SBEs (outside an Agency Project or Survey Area, but within San Francisco), and (3) Non-San Francisco-based SBEs. Non-San Francisco-based SBEs should be used to satisfy participation goals only if Project Area SBEs or San Francisco-based SBEs are not available, qualified, or if their bids or fees are significantly higher than those of non-San Francisco-based SBEs.

**VII. ASSOCIATIONS AND JOINT VENTURES (JV).** OCII will recognize JVs and Associations between non-SBE firms and SBE firms where the SBE partner performs at least 35% of the work defined in the JV or Association agreement, and receives at least 35% (or a proportionate share, whichever is higher) of the dollars to be earned by the JV or Association. Under this arrangement, OCII will deem the JV or Association to be an SBE for the purposes of meeting the SBE goal. Due to the technical nature of the disciplines and the various standards of each industry, OCII will not require a standardized agreement. However, each JV and Association agreement must be in writing and contain, at a minimum, the following terms:

- Define the management of the agreement between the parties;
- Define the technical and managerial responsibilities of each party;
- Define the scope of work to be performed by each party, and where possible identify the percentage and break-down of scope of work for each party;
- Identify any additional subcontractors or consultants that will perform the work under the agreement;
- Define the schedule, duration, and deliverable of the agreement;
- Detail the fee schedule, fee breakdown, or division of compensation;
- Specify insurance requirements and/or if each party shall maintain its own insurance;
- Specify how additional work or changes in scope shall be negotiated or determined and which party shall be responsible for notifying OCII of the changes;
- Specify how claims and disputes will be resolved.

A copy of the JV or Association agreement must be provided to OCII for approval in order for the JV or Association to be recognized.

**VIII. CERTIFICATION.** The Agency no longer certifies SBEs but instead relies on the information provided in other public entities' business certifications to establish eligibility for the Agency's program. Only businesses certified by the Agency as SBEs whose certification has not expired and economically disadvantaged businesses that meet the Agency's SBE Certification Criteria will be counted toward meeting the participation goals. The SBE Certification Criteria are set forth in the SBE Policy.

**IX. INCORPORATION.** Each contract between the Agency, Agency-Assisted Contractor or Contractor on the one hand, and any subcontractor on the other hand, shall physically incorporate as an attachment or exhibit and make binding on the parties to that contract, a true and correct copy of this SBE Agreement.

**X. DEFINITIONS.** Capitalized terms not otherwise specifically defined in this SBE Agreement have the meaning set forth in the Agency's SBE Policy adopted on November 16, 2004 and amended on July 21, 2009 ("**Policy**") or as defined in the Agency-Assisted Contract or Contract. In the event of a conflict in the meaning of a defined term, the SBE Policy shall govern over the Agency-Assisted Contract or Contract which in turn shall govern over this SBE Agreement.

**Affiliates** means an affiliation with another business concern is based on the power to control, whether exercised or not. Such factors as common ownership, common management and identity of interest (often found in members of the same family), among others, are indicators of affiliation. Power to control exists when a party or parties have 50 percent or more ownership. It may also exist with considerably less than 50 percent ownership by contractual arrangement or when one or more parties own a large share compared to other parties. Affiliated business concerns need not be in the same line of business.

**Agency-Assisted Contract** means, as applicable, the Development and Disposition Agreement (“DDA”), Land Disposition Agreement (“LDA”), Lease, Loan and Grant Agreements, and other similar contracts, and agreement that the Agency executed with for-profit or non-profit entities.

**Agency-Assisted Contractor** means any person(s), firm, partnership, corporation, or combination thereof, who is negotiating or has executed an Agency-Assisted Contract.

**Agency Contract** means personal services contracts, purchase requisitions, and other similar contracts and operations agreements that the Agency executes with for-profit or non-profit entities.

**Amendment to a Pre-existing Contract** means a material change to the terms of any contract, the term of which has not expired on or before the date that this Small Business Enterprise Policy (“SBE Policy”) takes effect, but shall not include amendments to decrease the scope of work or decrease the amount to be paid under a contract.

**Annual Receipts** means “total income” (or in the case of a sole proprietorship, “gross income”) plus “cost of goods sold” as these terms are defined and reported on Internal Revenue Service tax return forms. The term does not include net capital gains or losses; taxes collected for and remitted to a taxing authority if included in gross or total income, such as sales or other taxes collected from customers and excluding taxes levied on the concern or its employees; proceeds from transactions between a concern and its domestic or foreign affiliates; and amounts collected for another by a travel agent, real estate agent, advertising agent, conference management service provider, freight forwarder or customs broker. For size determination purposes, the only exclusions from receipts are those specifically provided for in this paragraph. All other items, such as subcontractor costs, reimbursements for purchases a contractor makes at a customer's request, and employee-based costs such as payroll taxes, may not be excluded from receipts. Receipts are averaged over a concern's latest three (3) completed fiscal years to determine its average annual receipts. If a concern has not been in business for three (3) years, the average weekly revenue for the number of weeks the concern has been in business is multiplied by 52 to determine its average annual receipts.

**Arbitration Party** means all persons and entities who attend the arbitration hearing pursuant to Section XIII, as well as those persons and entities who are subject to a default award provided that all of the requirements in Section XIII.L. have been met.

**Association** means an agreement between two parties established for the purpose of completing a specific task or project. The associate agreement shall provide the SBE associate a significant project management role and the SBE associate shall be recognized in marketing and collateral material. The Association shall be distinguished from traditional subcontracting arrangements via a written Association agreement that defines the management of the agreement, technical and managerial responsibilities of the parties, and defined scopes and percentages of work to be performed by each party with its own resources and labor force. Unlike the more formal Joint Venture, an Association does not require formation of a new business enterprise between the parties. The Associate agreement shall contain, at a minimum, provisions required by Section VII and be subject to OCII approval.

**Commercially Useful Function** means that the business is directly responsible for providing the materials, equipment, supplies or services in the City and County of San Francisco (“City”) as required by the solicitation or request for quotes, bids or proposals. Businesses that engage in the business of providing brokerage, referral or temporary employment services shall not be deemed to perform a “commercially useful function” unless the brokerage, referral or temporary employment services are required and sought by the Agency.

**Contract** means any agreement between the Agency and a person(s), firm, partnership, corporation, or combination thereof, to provide or procure labor, supplies or services to, for, or on behalf of the Agency.

**Contractor** means any person(s), firm, partnership, corporation, or combination thereof, who is negotiating or has executed a Contract.

**Joint Venture** means an entity established between two parties for the purposes of completing a venture or project. The Joint Venture agreement typically creates a separate business entity and requires acquisition of additional insurance for the newly created joint business entity. The Joint Venture agreement shall contain, at a minimum, provisions required by Section VII and be subject to OCII approval.

**Non-San Francisco-based Small Business Enterprise** means a SBE that has fixed offices located outside the geographical boundaries of the City.

**Office” or “Offices** means a fixed and established place(s) where work is performed of a clerical, administrative, professional or production nature directly pertinent to the business being certified. A temporary location or movable property or one that was established to oversee a project such as a construction project office does not qualify as an “office” under this SBE Policy. Work space provided in exchange for services (in lieu of monetary rent) does not constitute an “office.” The office is not required to be the headquarters for the business but it must be capable of providing all the services to operate the business for which SBE certification is sought. An arrangement for the right to use office space on an “as needed” basis where there is no office exclusively reserved for the business does not qualify as an office. The prospective SBE must submit a rental agreement for the office space, rent receipt or cancelled checks for rent payments. If the office space is owned by the prospective SBE, the business must submit property tax or a deed documenting ownership of the office.

**Project Area Small Business Enterprise** means a business that meets the above-definition of Small Business Enterprise and that: (a) has fixed offices located within the geographical boundaries of a Redevelopment Project or Survey Area where a commercially useful function is performed; (b) is listed in the Permits and License Tax Paid File with a Project Area or Survey Area business street address; (c) possesses a current Business Tax Registration Certificate at the time of the application for certification as a SBE; (d) has been located and doing business in a Project Area or Survey Area for at least six months preceding its application for certification as a SBE; and (e) has a Project Area or Survey Area office in which business is transacted that is appropriately equipped for the type of business for which the enterprise seeks certification as a SBE. Post office box numbers of residential addresses alone shall not suffice to establish a firms’ location in a Project Area or Survey Area.

**Project Area** means an area of San Francisco that meets the requirements under Community Redevelopment Law, Health and Safety Code Section 33320.1. These areas currently include the Bayview Industrial Triangle, Bayview Hunters Point (Area B), Hunters Point Shipyard, Mission Bay (North), Mission Bay (South), Rincon Point/South Beach, South of Market, and Transbay.

**San Francisco-based Small Business Enterprise** means a SBE that: (a) has fixed offices located within the geographical boundaries of the City where a commercially useful function is performed; (b) is listed in the Permits and License Tax Paid File with a San Francisco business street address; (c) possesses a current Business Tax Registration Certificate at the time of the application for certification as a SBE; (d) has been located and doing business in the City for at least six months preceding its application for certification as a SBE; and (e) has a San Francisco office in which business is transacted that is appropriately equipped for the type of business for which the enterprise seeks certification as a

SBE. Post office box numbers or residential addresses alone shall not suffice to establish a firm's status as local.

**Small Business Enterprise (SBE)** means an economically disadvantaged business that: is an independent and continuing business for profit; performs a commercially useful function; is owned and controlled by persons residing in the United States or its territories; has average gross annual receipts in the three years immediately preceding its application for certification as a SBE that do not exceed the following limits:

<b>Industry</b>	<b>OCII SBE Size Standard</b>
Construction Contractors	\$20,000,000
Specialty Construction Contractors	\$14,000,000
Suppliers (goods/materials/ equipment and general services)	\$10,000,000
Professional Services	\$2,500,000
Trucking	\$3,500,000

In addition, an economically disadvantaged business shall meet the other certification criteria described in Exhibit I of the SBE Policy in order to be considered an SBE by the Agency.

In order to determine whether or not a firm meets the above economic size definitions, the Agency will use the firm's three most recent business tax returns (i.e., 1040 with Schedule C for Sole Proprietorships, 1065s with K-1s for Partnerships, and 1120s for Corporations) to calculate the firm's three year average annual gross receipts. In addition, the calculation of a firm's size shall include the receipts of all affiliates.

Once a business reaches the 3-year average size threshold for the applicable industry the business ceases to be economically disadvantaged, it is not an eligible SBE and it will not be counted towards meeting SBE contracting requirements (or goals).

**Specialty Construction Contractor** means a contractor licensed by the Contractors State License Board under the "C" classification license pursuant to California Business and Professions Code Section 7058.

**Survey Area** means an area of San Francisco that meets the requirements of the Community Redevelopment Law, Health and Safety Code Section 33310. These areas currently include the Bayview Hunters Point Redevelopment Survey Area C.

**XI. GOOD FAITH EFFORTS TO MEET SBE GOALS** Compliance with the following steps will be the basis for determining if the Agency-Assisted Contractor and/or Consultant has made good faith efforts to meet the goals for SBEs:

**A. Outreach.** Not less than 30 days prior to the opening of bids or the selection of contractors, the Agency-Assisted Contractor or Contractor shall:

1. **Advertise.** Advertise for SBEs interested in competing for the contract, in general circulation media, trade association publications, including timely use of the ***Bid and Contract Opportunities*** newsletter published by the City and County of San Francisco Purchasing Department and

media focused specifically on SBE businesses such as the *Small Business Exchange*, of the opportunity to submit bids or proposals and to attend a pre-bid meeting to learn about contracting opportunities.

2. **Request List of SBEs.** Request from the Agency's Contract Compliance Department a list of all known SBEs in the pertinent field(s), particularly those in the Project and Survey Areas and provide written notice to all of them of the opportunity to bid for contracts and to attend a pre-bid or pre-solicitation meeting to learn about contracting opportunities.

**B. Pre-Solicitation Meeting.** For construction contracts estimated to cost \$5,000 or more, hold a pre-bid meeting for all interested contractors not less than 15 days prior to the opening of bids or the selection of contractors for the purpose answering questions about the selection process and the specifications and requirements. Representatives of the Contract Compliance Department will also participate.

**C. Follow-up.** Follow up initial solicitations of interest by contacting the SBEs to determine with certainty whether the enterprises are interested in performing specific items involved in work.

**D. Subdivide Work.** Divide, to the greatest extent feasible, the contract work into small units to facilitate SBE participation, including, where feasible, offering items of the contract work which the Contractor would normally perform itself.

**E. Provide Timely and Complete Information.** The Agency-Assisted Contractor or Contractor shall provide SBEs with complete, adequate and ongoing information about the plans, specifications and requirements of construction work, service work and material supply work. This paragraph does not require the Agency-Assisted Contractor or Contractor to give SBEs any information not provided to other contractors. This paragraph does require the Agency Assisted Contractor and Contractor to answer carefully and completely all reasonable questions asked by SBEs and to undertake every good faith effort to ensure that SBEs understand the nature and the scope of the work.

**F. Good Faith Negotiations.** Negotiate with SBEs in good faith and demonstrate that SBEs were not rejected as unqualified without sound reasons based on a thorough investigation of their capacities.

**G. Bid Shopping Prohibited.** Prohibit the shopping of the bids. Where the Agency-Assisted Contractor or Contractor learns that bid shopping has occurred, it shall treat such bid shopping as a material breach of contract.

**H. Other Assistance.** Assist SBEs in their efforts to obtain bonds, lines of credit and insurance. (Note that the Agency has a Surety Bond Program that may assist SBEs in obtaining necessary bonding.) The Agency-Assisted Contractor or Contractor(s) shall require no more stringent bond or insurance standards of SBEs than required of other business enterprises.

**I. Delivery Scheduling.** Establish delivery schedules which encourage participation of SBEs.

**J. Utilize SBEs as Lower Tier Subcontractors.** The Agency-Assisted Contractor and its Contractor(s) shall encourage and assist higher tier subcontractors in undertaking good faith efforts to utilize SBEs as lower tier subcontractors.

**K. Maximize Outreach Resources.** Use the services of SBE associations, federal, state and local SBE assistance offices and other organizations that provide assistance in the recruitment and

placement of SBEs, including the Small Business Administration and the Business Development Agency of the Department of Commerce. However, only SBEs certified by the Agency shall count towards meeting the participation goal.

**L. Replacement of SBE.** If during the term of this SBE Agreement, it becomes necessary to replace any subcontractor or supplier, the Agency's Contract Compliance Specialist should be notified prior to replacement due to the failure or inability of the subcontractor or supplier to perform the required services or timely delivery the required supplies, then First Consideration should be given to a certified SBE, if available, as a replacement.

## **XII. ADDITIONAL PROVISIONS**

**A. No Retaliation.** No employee shall be discharged or in any other manner discriminated against by the Agency-Assisted Contractor or Contractor because such employee has filed any complaint or instituted or caused to be instituted any proceeding under or relating to enforcement of this Agreement.

**B. No Discrimination.** There shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, religion, creed, national origin or ancestry, sex, gender identity, age, marital or domestic partner status, sexual orientation or disability (including HIV or AIDS status) in the performance of an Agency-Assisted Contract or Contract. The Agency-Assisted Contractor or Contractor will ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, creed, national origin or ancestry, sex, gender identity, age, marital or domestic partner status, sexual orientation or disability (including HIV or AIDS status) or other protected class status. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; selection for training, including apprenticeship; and provision of any services or accommodations.

**C. Compliance with Prompt Payment Statute.** Construction contracts and subcontracts awarded for \$5,000 or more shall contain the following provision:

“Amounts for work performed by a subcontractor shall be paid within seven (7) days of receipt of funds by the contractor, pursuant to California Business and Professions Code Section 7108.5 *et seq.* Failure to include this provision in a subcontractor or failure to comply with this provision shall constitute an event of default which would permit the Agency to exercise any and all remedies available to it under contract, at law or in equity.”

In addition to and not in contradiction to the Prompt Payment Statute (California Business and Professions Code Section 7108.5 *et seq.*), if a dispute arises which would allow a Contractor to withhold payment to a subcontractor due to a dispute, the Contractor shall only withhold that amount which directly relates to the dispute and shall promptly pay the remaining undisputed amount, if any.

**D. Submission of Electronic Certified Payrolls.** For any Agency-Assisted Contract which requires the submission of certified payroll reports, the requirements of Section VII of the Agency's Small Business Enterprise Policy shall apply. Please see the Small Business Enterprise Policy for more details.

### **XIII. PROCEDURES**

**A. Notice to Agency.** The Agency-Assisted Contractor or Contractor(s) shall provide the Agency with the following information within 10 days of awarding a contract or selecting subconsultant:

1. the nature of the contract, e.g. type and scope of work to be performed;
2. the dollar amount of the contract;
3. the name, address, license number, gender and ethnicity of the person to whom the contract was awarded; And
4. SBE status of each subcontractor or subconsultant.

**B. Affidavit.** If the Agency-Assisted Contractor or Contractor(s) contend that the contract has been awarded to a SBE, the Agency-Assisted Contractor or Contractor(s) shall, at the same time also submit to the Agency a SBE Application for Certification and its accompanying Affidavit completed by the SBE owner. However, a SBE that was previously certified by the Agency shall submit only the short SBE Eligibility Statement.

**C. Good Faith Documentation.** If the 50% SBE Participation Goals are not met in each category (Construction, Professional Services and Suppliers), the Agency-Assisted Contractor or Contractor(s) shall meet and confer with the Agency at a date and time set by the Agency. If the issue of the Agency-Assisted Contractor's or Contractor's good faith efforts is not resolved at this meeting, the Agency-Assisted Contractor or Contractor shall submit to the Agency within five (5) days, a declaration under penalty of perjury containing the following documentation with respect to the good faith efforts ("**Submission**"):

1. A report showing the responses, rejections, proposals and bids (including the amount of the bid) received from SBEs, including the date each response, proposal or bid was received. This report shall indicate the action taken by the Agency-Assisted Contractor or Contractor(s) in response to each proposal or bid received from SBEs, including the reasons(s) for any rejections.

2. A report showing the date that the bid was received, the amount bid by and the amount to be paid (if different) to the non-SBE contractor that was selected. If the non-SBE contractor who was selected submitted more than one bid, the amount of each bid and the date that each bid was received shall be shown in the report. If the bidder asserts that there were reasons other than the respective amounts bid for not awarding the contract to an SBE, the report shall also contain an explanation of these reasons.

3. Documentation of advertising for and contacts with SBEs, contractor associations or development centers, or any other agency which disseminates bid and contract information to small business enterprises.

4. Copies of initial and follow-up correspondence with SBEs, contractor associations and other agencies, which assist SBEs.

5. A description of the assistance provided SBE firms relative to obtaining and explaining plans, specifications and contract requirements.

6. A description of the assistance provided to SBEs with respect to bonding, lines of credit, etc.

7. A description of efforts to negotiate or a statement of the reasons for not negotiating with SBEs.
8. A description of any divisions of work undertaken to facilitate SBE participation.
9. Documentation of efforts undertaken to encourage subcontractors to obtain small business enterprise participation at a lower tier.
10. A report which shows for each private project and each public project (without a SBE program) undertaken by the bidder in the preceding 12 months, the total dollar amount of the contract and the percentage of the contract dollars awarded to SBEs and the percentage of contract dollars awarded to non-SBEs.
11. Documentation of any other efforts undertaken to encourage participation by small business enterprises.

**D. Presumption of Good Faith Efforts.** If the Agency-Assisted Contractor or Contractor(s) achieves the Participation Goals, it will not be required to submit Good Faith Effort documentation.

**E. Waiver.** Any of the SBE requirements may be waived if the Agency determines that a specific requirement is not relevant to the particular situation at issue, that SBEs were not available, or that SBEs were charging an unreasonable price.

**F. SBE Determination.** The Agency shall exercise its reasonable judgment in determining whether a business, whose name is submitted by the Agency-Assisted Contractor or Contractor(s) as a SBE, is owned and controlled by a SBE. A firm's appearance in any of the Agency's current directories will be considered by the Agency as prima facie evidence that the firm is a SBE. Where the Agency-Assisted Contractor or Contractor(s) makes a submission the Agency shall make a determination, as to whether or not a business which the Agency-Assisted Contractor or Contractor(s) claims is a SBE is in fact owned and controlled by San Francisco-based SBEs. If the Agency determines that the business is not a SBE, the Agency shall give the Agency-Assisted Contractor or Contractor a Notice of Non-Qualification and provide the Agency-Assisted Contractor or Contractor with a reasonable period (not to exceed 20 days) in which to meet with the Agency and if necessary make a Submission, concerning its good faith efforts. If the Agency-Assisted Contractor or Contractor disagrees with the Agency's Notice of Non-Qualification, the Agency-Assisted Contractor or Contractor may request arbitration pursuant to Section XIII.

**G. Agency Investigation.** Where the Agency-Assisted Contractor or Contractor makes a Submission and, as a result, the Agency has cause to believe that the Agency-Assisted Contractor or Contractor has failed to undertake good faith efforts, the Agency shall conduct an investigation, and after affording the Agency-Assisted Contractor or Contractor notice and an opportunity to be heard, shall recommend such remedies and sanctions as it deems necessary to correct any alleged violation(s). The Agency shall give the Agency-Assisted Contractor or Contractor a written Notice of Non-Compliance setting forth its findings and recommendations. If the Agency-Assisted Contractor or Contractor disagrees with the findings and recommendations of the Agency as set forth in the Notice of Non-Compliance, the Agency-Assisted Contractor or Contractor may request arbitration pursuant to this SBE Agreement.

#### **XIV. ARBITRATION OF DISPUTES.**

**A. Arbitration by AAA.** Any dispute regarding this SBE Agreement shall be determined by arbitration through the American Arbitration Association, San Francisco, California office ("AAA") in accordance with the Commercial Rules of the AAA then applicable, but subject to the further revisions thereof. The arbitration shall take place in the City and County of San Francisco.

**B. Demand for Arbitration.** Where the Agency-Assisted Contractor or Contractor disagrees with the Agency's Notice of Non-Qualification or Notice of Non-Compliance, **the Agency-Assisted Contractor or Contractor shall have seven (7) business days, in which to file a Demand for Arbitration**, unless otherwise stipulated by the parties. The Demand for Arbitration shall contain at a minimum: (1) a cover letter demanding arbitration under this provision and identifying any entities believed to be involved in the dispute; (2) a copy of the Notice of Non-Qualification or Notice of Non-Compliance; and (3) any written response to the Notice of Non-Qualification or Notice of Non-Compliance. If the Agency-Assisted Contractor and Contractor fail to file a timely Demand for Arbitration, the Agency-Assisted Contractor and Contractor shall be deemed to have accepted and to be bound by the finding of Non-Qualification or the findings and recommendations contained in the Notice of Non-Compliance.

**C. Parties' Participation.** The Agency and all persons or entities who have a contractual relationship affected by the dispute shall be made an Arbitration Party. Any such person or entity not made an Arbitration Party in the Demand for Arbitration may intervene as an Arbitration Party and in turn may name any other such person or entity as an Arbitration Party, provided however, that the Agency-Assisted Contractor or Contractor made an initial timely Demand for Arbitration pursuant to Section XIII.B. above.

**D. Agency Request to AAA.** Within seven (7) business days after service of a Demand for Arbitration, the Agency shall transmit to AAA a copy of the Demand for Arbitration, the Notice of Non-Qualification or Notice of Non-Compliance, and any written response thereto from the affected party. Such material shall be made part of the arbitration record.

**E. Selection of Arbitrator.** One arbitrator shall arbitrate the dispute. The arbitrator shall be selected from the panel of arbitrators from AAA by the parties to the arbitration in accordance with the AAA rules. The parties shall act diligently in this regard. If the Arbitration Parties fail to agree on an arbitrator within seven (7) days from the receipt of the panel, AAA shall appoint the arbitrator. A condition to the selection of any arbitrator shall be that person's agreement to render a decision within ninety (90) days from the arbitrator's fulfillment of the disclosure requirements set forth in California Code of Civil Procedure Section 1281.9.

**F. Setting of Arbitration Hearing.** A hearing shall be held within ninety (90) days of the date of the filing of the Request, unless otherwise agreed by the parties. The arbitrator shall set the date, time and place for the arbitration hearing(s) within the prescribed time periods by giving notice by hand delivery or first class mail to each Arbitration Party.

**G. Discovery.** In arbitration proceedings hereunder, discovery shall be permitted in accordance with Code of Civil Procedure §1283.05.

**H. Burden of Proof.** The burden of proof with respect to SBE status and/or Good Faith Efforts shall be on the Agency-Assisted Contractor and/or Contractor. The burden of proof as to all other alleged breaches by the Agency-Assisted Contractor and/or Contractor shall be on the Agency.

**I. California Law Applies.** Except where expressly stated to the contrary in this SBE Agreement, California law, including the California Arbitration Act, Code of Civil Procedure §§ 1280 through 1294.2, shall govern all arbitration proceedings.

**J. Arbitration Remedies and Sanctions.** The arbitrator may impose only the remedies and sanctions set forth below:

**1.** Order specific, reasonable actions and procedures, in the form of a temporary restraining order, preliminary injunction or permanent injunction, to mitigate the effects of the non-compliance and/or to bring any non-compliant Arbitration Party into compliance.

**2.** Require any Arbitration Party to refrain from entering into new contracts related to work covered by the Agency-Assisted Contract or this SBE Agreement, or from granting extensions or other modifications to existing contracts related to services covered by the Agency-Assisted Contract or this SBE Agreement, other than those minor modifications or extensions necessary to enable compliance with this SBE Agreement.

**3.** Direct any Arbitration Party to cancel, terminate, suspend or cause to be cancelled, terminated or suspended, any contract or portion(s) thereof for failure of any party to the arbitration to comply with any of the SBE Program requirements in the Agency-Assisted Contract or this SBE Agreement. Contracts may be continued upon the condition that a program for future compliance is approved by the Agency.

**4.** If any Arbitration Party is found to be in willful breach of its obligations hereunder, the arbitrator may impose a monetary sanction not to exceed Fifty Thousand Dollars (\$50,000.00) or ten percent (10%) of the base amount of the breaching party's contract, whichever is less, for each such willful breach; provided that, in determining the amount of any monetary sanction to be assessed, the arbitrator shall consider the financial capacity of the breaching party. No monetary sanction shall be imposed pursuant to this paragraph for the first willful breach of this SBE Agreement unless the breaching party has failed to cure after being provided notice and a reasonable opportunity to cure. Monetary sanctions may be imposed for subsequent willful breaches by any Arbitration Party whether or not the breach is subsequently cured. For purposes of this paragraph, "willful breach" means a knowing and intentional breach.

**5.** Direct any Arbitration Party to produce and provide to the Agency any records, data or reports which are necessary to determine if a violation has occurred and/or to monitor the performance of any Arbitration Party.

**K. Arbitrator's Decision.** The arbitrator shall make his or her award within twenty (20) days after the date that the hearing is completed; provided that where a temporary restraining order is sought, the arbitrator shall make his or her award not later than twenty-four (24) hours after the hearing on the motion. The arbitrator shall send the decision by certified or registered mail to each Arbitration Party.

**L. Default Award; No Requirement to Seek an Order Compelling Arbitration.** The arbitrator may enter a default award against any person or entity who fails to appear at the hearing, provided that: (1) said person or entity received actual notice of the hearing; and (2) the complaining party has a proof of service for the absent person or entity. In order to obtain a default award, the complaining party need not first seek or obtain an order to arbitrate the controversy pursuant to Code of Civil Procedure §1281.2.

**M. Arbitrator Lacks Power to Modify.** Except as otherwise provided, the arbitrator shall

have no power to add to, subtract from, disregard, modify or otherwise alter the terms of the Agency-Assisted Contract, this SBE Agreement or any other agreement between the Agency, the Agency-Assisted Contractor or Contractor or to negotiate new agreements or provisions between the parties.

**N. Jurisdiction/Entry of Judgment.** The inquiry of the arbitrator shall be restricted to the particular controversy which gave rise to the Demand for Arbitration. A decision of the arbitrator issued hereunder shall be final and binding upon all Arbitration Parties. The non-prevailing Arbitration Party(ies) shall pay the arbitrator's fees and related costs of arbitration (or reimburse the Arbitration Parties that advanced such arbitration fees and costs). Each Arbitration Party shall pay its own attorneys' fees, provided, however, that attorneys' fees may be awarded to the prevailing party if the arbitrator finds that the arbitration action was instituted, litigated, or defended in bad faith. Judgment upon the arbitrator's decision may be entered in any court of competent jurisdiction.

**O. Exculpatory Clause.** Agency-Assisted Contractor or Contractor (regardless of tier) expressly waive any and all claims against the Agency for damages, direct or indirect, including, without limitation, claims relative to the commencement, continuance and completion of construction and/or providing professional and consulting services ("the Work"). Agency-Assisted Contractor or Contractor (regardless of tier) acknowledge and agree that the procedures set forth herein for dealing with alleged breaches or failure to comply with the obligations and requirements of this SBE Agreement are reasonable and have been anticipated by the parties in securing financing, in inviting, submitting and receiving bids and proposals for the planning, design and construction of the improvements and in determining the times for commencement and completion of the planning, design and construction and/or for providing consulting, professional or personal services.

**P. Severability.** The provisions of this SBE Agreement are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this SBE Agreement or the invalidity of the application thereof to any person or circumstance shall not affect the validity of the remainder of this SBE Agreement or the validity of their application to other persons or circumstances.

**Q. Arbitration Notice:** BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS SUCH RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

**WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO NEUTRAL ARBITRATION.**

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Agency

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Agency-Assisted Contractor

**XV. AGREEMENT EXECUTION**

I, hereby certify that I have authority to execute this SBE Agreement on behalf of the business, organization or entity listed below and that it will use good faith efforts to comply with the Agency's 50% SBE Participation Goals. I declare under penalty of perjury under the laws of the State of California that the above statement is true and correct.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Your Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Company Name and Phone Number

## Attachment #14

### MINIMUM COMPENSATION POLICY (MCP) DECLARATION

**What the Policy does.** The Office of Community Investment and Infrastructure (OCII) (Successor Agency to the San Francisco Redevelopment Agency) adopted the Minimum Compensation Policy (MCP), which became effective on September 25, 2001. The MCP requires contractors and subcontractors to provide the following to their employees covered by the MCP on OCII contracts and subcontracts for services: for Commercial Business MCP the wage rate is \$13.34 per hour effective January 1, 2016; for Nonprofit MCP the wage rate is \$12.25 per hour effective May 1, 2015 and \$13.00 per hour effective July 1, 2016. The Minimum Compensation rate is adjusted on January 1 each year. In addition, 12 paid days off per year (or cash equivalent) and 10 days off without pay per year shall be offered.

The OCII may require contractors to submit reports on the number of employees affected by the MCP.

**Effect on OCII contracting.** For contracts and amendments signed on or after September 25, 2001, the MCP will have the following effect:

- in each contract, the contractor will agree to abide by the MCP and to provide its employees the minimum benefits the MCP requires, and to require its subcontractors subject to the MCP to do the same.
- if a contractor does not provide the MCP minimum benefits, OCII can award a contract to that contractor only if the contract is exempt under the MCP, or if the contract has received a waiver from OCII.

**What this form does.** Your signed declaration will help OCII's contracting practice. Sign this form if you can assure OCII that, beginning with the first OCII contract or amendment you receive after September 25, 2001 and until further notice, you will provide the minimum benefit levels specified in the MCP to your covered employees, and will ensure that your subcontractors also subject to the MCP do the same.

If you cannot make this assurance now, please do not return this form.

**For more information,** please see the complete text of the MCP, available from the OCII's Contract Compliance Department at (415) 749-2400 or <http://www.sfocii.org/index.aspx?page=126>.

**Routing.** Return this form to: Contract Compliance Department, Office of Community Investment and Infrastructure (Successor to the San Francisco Redevelopment Agency), 1 South Van Ness, Fifth Floor, San Francisco, CA 94103.

### Declaration

Effective with the first OCII contract or amendment this company receives on or after September 25, 2001, this company will provide the minimum benefit levels specified in the MCP to our covered employees, and will ensure that our subcontractors also subject to the MCP do the same, until further notice. This company will give such notice as soon as possible.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Phone

## Attachment #15

### HEALTH CARE ACCOUNTABILITY POLICY (HCAP) DECLARATION

**What the Policy does.** The Office of Community Investment and Infrastructure (OCII) (Successor Agency to the San Francisco Redevelopment Agency) adopted the San Francisco Health Care Accountability Policy (the “HCAP”), which became effective on September 25, 2001. The HCAP requires contractors and subcontractors that provide services to OCII, contractors and subcontractors that enter into leases with OCII, and parties providing services to tenants and sub-tenants on OCII property to choose between offering health plan benefits to their employees or making payments to OCII or directly to their employees.

Specifically, contractors can either: (1) offer the employee minimum standard health plan benefits approved by the OCII Commission; or (2) pay OCII \$4.50 per hour for each hour the employee works on the covered contract or subcontract or on property covered by a lease (but not to exceed \$180 in any week) and OCII will appropriate the money for staffing and other resources to provide medical care for the uninsured (rates and amounts effective July 1, 2015 and subject to annual change).

The OCII may require contractors to submit reports on the number of employees affected by the HCAP.

**Effect on OCII contracting.** For contracts and amendments signed on or after September 25, 2001, the HCAP will have the following effect:

- in each contract, the contractor will agree to abide by the HCAP and to provide its employees the minimum benefits the HCAP requires, and to require its subcontractors to do the same.
- if a contractor does not provide the HCAP’s minimum benefits, OCII can award a contract to that contractor **only if** the contract is exempt under the HCAP, or if the contract has received a waiver from OCII.

**What this form does.** Your signed declaration will help OCII’s contracting practice. Sign this form if you can assure OCII that, beginning with the first OCII’s contract or amendment you receive after September 25, 2001 and until further notice, you will provide the minimum benefit levels specified in the HCAP to your covered employees, and will ensure that your subcontractors also subject to the HCAP do the same.

If you cannot make this assurance now, please do not return this form.

**For more information,** please see the complete text of the HCAP, available from the OCII’s Contract Compliance Department at: (415) 749-2400.

**Routing.** Return this form to: Contact Compliance Department, Office of Community Investment and Infrastructure (Successor to the San Francisco Redevelopment Agency), 1 South Van Ness Avenue, Fifth Floor, San Francisco, CA 94103.

#### Declaration

Effective with the first OCII contract or amendment this company receives on or after September 25, 2001, this company will provide the minimum benefit levels specified in the HCAP to our covered employees, and will ensure that our subcontractors also subject to the HCAP do the same, until further notice. This company will give such notice as soon as possible.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Phone

**Attachment #16: PREVAILING WAGE  
PROVISIONS (LABOR STANDARDS)**

**11.1** **Applicability.** These Prevailing Wage Provisions (hereinafter referred to as "Labor Standards") apply to any and all construction of the Improvements as defined in the Agreement between the Borrower and the Office of Community Investment and Infrastructure (OCII) "Successor Agency" of which this Exhibit H and these Labor Standards are a part.

**11.2** **All Contracts and Subcontracts shall contain the Labor Standards. Confirmation by Construction Lender.**

- (a) All specifications relating to the construction of the Improvements shall contain these Labor Standards and the Borrower shall have the responsibility to assure that all contracts and subcontracts, regardless of tier, incorporate by reference the specifications containing these Labor Standards. If for any reason said Labor Standards are not included, the Labor Standards shall nevertheless apply. The Borrower shall supply the Agency with true copies of each contract relating to the construction of the Improvements showing the specifications that contain these Labor Standards promptly after due and complete execution thereof and before any work under such contract commences. Failure to do shall be a violation of these Labor Standards.
- (b) Before close of escrow under the Agreement and as a condition to close of escrow, the Borrower shall also supply a written confirmation to the Agency from any construction lender for the Improvements that such construction lender is aware of these Labor Standards.

**11.3** **Definitions.** The following definitions shall apply for purposes of this Exhibit H:

- (a) "Contractor" is the Borrower if permitted by law to act as a contractor, the general contractor, and any contractor as well as any subcontractor of any tier subcontractor having a contract or subcontract that exceeds \$10,000, and who employs Laborers, Mechanics, working foremen, and security guards to perform the construction on all or any part of the Improvements.
- (b) "Laborers" and "Mechanics" are all persons providing labor to perform the construction, including working foremen and security guards.
- (c) "Working foreman" is a person who, in addition to performing supervisory duties, performs the work of a Laborer or Mechanic during at least 20 percent of the work week.

**11.4** **Prevailing Wage.**

- (a) All Laborers and Mechanics employed in the construction of the Improvements will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by §11.5) the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at the time of payment computed at rates not less than those contained in the General Prevailing Wage Determination (hereinafter referred to as the "Wage Determination") made by the Director of Industrial Relations pursuant to California Labor Code Part 7, Chapter 1, Article 2, sections 1770, 1773 and 1773.1, regardless of any contractual relationship which may be alleged to exist between the Contractor and such Laborers and Mechanics. A copy of the applicable Wage Determination is on file in the offices of the Agency with the Development Services Manager. At the time of escrow closing the Agency shall provide the Borrower with a copy of the applicable Wage Determination.
- (b) All Laborers and Mechanics shall be paid the appropriate wage rate and fringe benefits for the classification of work actually performed, without regard to skill. Laborers or Mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein provided that the Contractor's payroll records accurately set forth the time spent in each classification in which work is performed.
- (c) Whenever the wage rate prescribed in the Wage Determination for a class of Laborers or Mechanics includes a fringe benefit which is not expressed as an hourly rate, the Contractor shall either pay the benefit in the manner as stated therein i.e. the vacation plan, the health benefit program, the pension plan and the apprenticeship program, or shall pay an hourly cash equivalent thereof.
- (d) If the Contractor does not make payments to a trustee or other third person, the Contractor may consider as part of the wages of any Laborer or Mechanic the amount of any costs reasonably anticipated in providing benefits under a plan or program of a type expressly listed in the Wage Determination, provided that the Executive Director of the Agency has found, upon the written request of the Contractor, made through the Borrower that the intent of the Labor Standards has been met. Records of such costs shall be maintained in the manner set forth in subsection (a) of §11.8. The Executive Director of the Agency may require the Borrower to set aside in a separate interest bearing account with a member of the Federal Deposit Insurance Corporation, assets for the meeting of obligations under the plan or program referred to above in subsection (b) of this §11.4. The interest shall be accumulated and shall be paid as determined by the Agency acting at its sole discretion.
- (e) Regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs, which

cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period.

**11.5** **Permissible Payroll Deductions.** The following payroll deductions are permissible deductions. Any others require the approval of the Agency's Executive Director.

- (a) Any withholding made in compliance with the requirements of Federal, State or local income tax laws, and the Federal social security tax.
- (b) Any repayment of sums previously advanced to the employee as a bona fide prepayment of wages when such prepayment is made without discount or interest. A "bona fide prepayment of wages" is considered to have been made only when case or its equivalent has been advanced to the employee in such manner as to give him or her complete freedom of disposition of the advanced funds.
- (c) Any garnishment, unless it is in favor of the Contractor (or any affiliated person or entity), or when collusion or collaboration exists.
- (d) Any contribution on behalf of the employee, to funds established by the Contractor, representatives of employees or both, for the purpose of providing from principal, income or both, medical or hospital care, pensions or annuities on retirement, death benefits, compensation for injuries, illness, accidents, sickness or disability, or for insurance to provide any of the foregoing, or unemployment benefits, vacation pay, savings accounts or similar payments for the benefit of employees, their families and dependents provided, however, that the following standards are met:
  - 1. The deduction is not otherwise prohibited by law; and
  - 2. It is either:
    - a. Voluntarily consented to by the employee in writing and in advance of the period in which the work is to be done and such consent is not a condition either for obtaining or for the continuation of employment, or
    - b. Provided for in a bona fide collective bargaining agreement between the Contractor and representatives of its employees; and
  - 3. No profit or other benefit is otherwise obtained, directly or indirectly, by the Contractor (or any affiliated person or entity) in the form of commission, dividend or otherwise; and
  - 4. The deduction shall serve the convenience and interest of the employee.

- (e) Any authorized purchase of United States Savings Bonds for the employee.
- (f) Any voluntarily authorized repayment of loans from or the purchase of shares in credit unions organized and operated in accordance with Federal and State credit union statutes.
- (g) Any contribution voluntarily authorized by the employee for the American Red Cross, United Way and similar charitable organizations.
- (h) Any payment of regular union initiation fees and membership dues, but not including fines or special assessments provided, that a collective bargaining agreement between the Contractor and representatives of its employees provides for such payment and the deductions are not otherwise prohibited by law.

**11.6** **Apprentices and Trainees.** Apprentices and trainees will be permitted to work at less than the Mechanic's rate for the work they perform when they are employed pursuant to and are individually registered in an apprenticeship or trainee program approved by the U.S. Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training ("BAT") or with the California Department of Industrial Relations, Division of Apprenticeship Standards ("DAS") or if a person is employed in his or her first 90 days of probationary employment as an apprentice or trainee in such a program, who is not individually registered in the program, but who has been certified by BAT or DAS to be eligible for probationary employment. Any employee listed on a payroll at an apprentice or trainee wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate for a Mechanic. Every apprentice or trainee must be paid at not less than the rate specified in the registered program for the employee's level of progress, expressed as a percentage of a Mechanic's hourly rate as specified in the Wage Determination. Apprentices or trainees shall be paid fringe benefits in accordance with the provisions of the respective program. If the program does not specify fringe benefits, employees must be paid the full amount of fringe benefits listed in the Wage Determination.

**11.7** **Overtime.** No Contractor contracting for any part of the construction of the Improvements which may require or involve the employment of Laborers or Mechanics shall require or permit any such Laborer or Mechanic in any workweek in which he or she is employed on such construction to work in excess of eight hours in any calendar day or in excess of 40 hours in such workweek unless such Laborer or Mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of eight hours in any calendar day or in excess of 40 hours in such workweek, whichever is greater.

**11.8** **Payrolls and Basic Records.**

- (a) Payrolls and basic records relating thereto shall be maintained by the Contractor during the course of its construction of the Improvements and preserved for a period of one year thereafter for all Laborers and Mechanics it employed in the construction of the Improvements. Such records shall contain the name, address and social security number of each employee, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for fringe benefits or cash equivalents thereof), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the wages of any Laborer or Mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program, the Contractor shall maintain records which show the costs anticipated or the actual costs incurred in providing such benefits and that the plan or program has been communicated in writing to the Laborers or Mechanics affected. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage prescribed in the applicable programs or the Wage Determination.
- (b) 1. The Contractor shall submit to the Agency on each Wednesday at noon a copy of the payrolls for the week preceding the previous week in which any construction of the Improvements was performed. The payrolls submitted shall set out accurately and completely all of the information required by the Agency's Optional Form, an initial supply of which may be obtained from the Agency. The Contractor if a prime contractor or the Borrower acting as the Contractor is responsible for the submission of copies of certified payrolls by all subcontractors; otherwise each Contractor shall timely submit such payrolls.
- (c) 2. Each weekly payroll shall be accompanied by the Statement of Compliance that accompanies the Agency's Optional Form and properly executed by the Contractor or his or her agent, who pays or supervises the payment of the employees.
- (d) The Contractor shall make the records required under this §11.8 available for inspection or copying by authorized representatives of the Agency, and shall

permit such representatives to interview employees during working hours on the job. On request the Executive Director of the Agency shall advise the Contractor of the identity of such authorized representatives.

- 11.9** **Occupational Safety and Health.** No Laborer or Mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous to his or her safety and health as determined under construction safety and health standards promulgated by Cal-OSHA or if Cal-OSHA is terminated, then by the federal OSHA.
- 11.10** **Equal Opportunity Program.** The utilization of apprentices, trainees, Laborers and Mechanics under this part shall be in conformity with the equal opportunity program set forth in Exhibit I of the Agreement including Schedules A and B. Any conflicts between the language contained in these Labor Standards and Exhibit I shall be resolved in favor of the language set forth in Exhibit I, except that in no event shall less than the prevailing wage be paid.
- 11.11** **Nondiscrimination Against Employees for Complaints.** No Laborer or Mechanic to whom the wage, salary or other Labor Standards of this Agreement are applicable shall be discharged or in any other manner discriminated against by the Contractor because such employee has filed any complaint or instituted or caused to be instituted any proceeding under or relating to these Labor Standards.
- 11.12** **Posting of Notice to Employees.** A copy of the Wage Determination referred to in subsection (a) of §11.4 together with a copy of a "Notice to Employees," in the form appearing on the last page of these Labor Standards, shall be given to the Borrower at the close of escrow. The Notice to Employees and the Wage Determination shall both be posted and maintained by the Contractor in a prominent place readily accessible to all applicants and employees performing construction of the Improvements before construction commences. If such Notice and Wage Determination is not so posted or maintained, the Agency may do so.
- 11.13** **Violation and Remedies.**
- (a) **Liability to Employee for Unpaid Wages.** The Contractor shall be liable to the employee for unpaid wages, overtime wages and benefits in violation of these Labor Standards.

- (b) Stop Work--Contract Terms, Records and Payrolls. If there is a violation of these Labor Standards by reason of the failure of any contract or subcontract for the construction of the Improvements to contain the Labor Standards as required by §11.2 ("Non-Conforming Contract"); or by reason of any failure to submit the payrolls or make records available as required by §11.8 ("Non-Complying Contractor"), the Executive Director of the Agency may, after written notice to the Borrower with a copy to the Contractor involved and failure to cure the violation within five working days after the date of such notice, stop the construction work under the Non-Conforming Contract or of the Non-Complying Contractor until the Non-Conforming Contract or the Non-Complying Contractor comes into compliance.
- (c) Stop Work and Other Violations. For any violation of these Labor Standards the Executive Director of the Agency may give written notice to the Borrower, with a copy to the Contractor involved, which notice shall state the claimed violation and the amount of money, if any, involved in the violation. Within five working days from the date of said notice, the Borrower shall advise the Agency in writing whether or not the violation is disputed by the Contractor and a statement of reasons in support of such dispute (the "Notice of Dispute"). In addition to the foregoing, the Borrower, upon receipt of the notice of claimed violation from the Agency, shall with respect to any amount stated in the Agency notice withhold payment to the Contractor of the amount stated multiplied by 45 working days and shall with the Notice of Dispute, also advise the Agency that the moneys are being or will be withheld. If the Borrower fails to timely give a Notice of Dispute to the Agency or to advise of the withhold, then the Executive Director of the Agency may stop the construction of the Improvements under the applicable contract or by the involved Contractor until such Notice of Dispute and written withhold advice has been received.
- (d) Upon receipt of the Notice of Dispute and withhold advice, any stop work which the Executive Director has ordered shall be lifted, but the Borrower shall continue to withhold the moneys until the dispute has been resolved either by agreement, or failing agreement, by arbitration as is provided in §11.14.
- (e) Withholding Certificates of Completion. The Agency may withhold any or all certificates of completion of the Improvements provided for in this Agreement, for any violations of these Labor Standards until such violation has been cured.

- (f) General Remedies. In addition to all of the rights and remedies herein contained, but subject to arbitration, except as hereinafter provided, the Agency shall have all rights in law or equity to enforce these Labor Standards including, but not limited to, a prohibitory or mandatory injunction. Provided, however, the stop work remedy of the Agency provided above in subsection (b) and (c) is not subject to arbitration.

**11.14 Arbitration of Disputes.**

- (a) Any dispute regarding these Labor Standards shall be determined by arbitration through the American Arbitration Association, San Francisco, California office ("AAA") in accordance with the Commercial Rules of the AAA then applicable, but subject to the further provisions thereof.
- (b) The Agency and all persons or entities who have a contractual relationship affected by the dispute shall be made a party to the arbitration. Any such person or entity not made a party in the demand for arbitration may intervene as a party and in turn may name any such person or entity as a party.
- (c) The arbitration shall take place in the City and County of San Francisco.
- (d) Arbitration may be demanded by the Agency, the Borrower or the Contractor.
- (e) With the demand for arbitration, there must be enclosed a copy of these Labor Standards, and a copy of the demand must be mailed to the Agency and the Borrower, or as appropriate to one or the other if the Borrower or the Agency is demanding arbitration. If the demand does not include the Labor Standards they are nevertheless deemed a part of the demand. With the demand if made by the Agency or within a reasonable time thereafter if not made by the Agency, the Agency shall transmit to the AAA a copy of the Wage Determination (referred to in §11.4) and copies of all notices sent or received by the Agency pursuant to §11.13. Such material shall be made part of the arbitration record.
- (f) One arbitrator shall arbitrate the dispute. The arbitrator shall be selected from the panel of arbitrators of the AAA by the parties to the arbitration in accordance with the AAA rules. The parties shall act diligently in this regard. If the parties fail to select an arbitrator, within seven (7) days from the receipt of the panel, the AAA shall appoint the arbitrator. A condition to the selection of any arbitrator shall be that person's agreement to render a decision within 30 days from appointment.

- (g) Any party to the arbitration whether the party participates in the arbitration or not shall be bound by the decision of the arbitrator whose decision shall be final and binding on all of the parties and any and all rights of appeal from the decision are waived except a claim that the arbitrator's decision violates an applicable statute or regulation. The decision of the arbitrator shall be rendered on or before 30 days from appointment. The arbitrator shall schedule hearings as necessary to meet this 30 day decision requirement and the parties to the arbitration, whether they appear or not, shall be bound by such scheduling.
- (h) Any party to the arbitration may take any and all steps permitted by law to enforce the arbitrator's decision and if the arbitrator's decision requires the payment of money the Contractor shall make the required payments and the Borrower shall pay the Contractor from money withheld.
- (i) Costs and Expenses. Each party shall bear its own costs and expenses of the arbitration and the costs of the arbitration shall be shared equally among the parties.

**11.15** **Non-liability of the Agency**. The Borrower and each Contractor acknowledge and agree that the procedures hereinafter set forth for dealing with violations of these Labor Standards are reasonable and have been anticipated by the parties in securing financing, in inviting, submitting and receiving bids for the construction of the Improvements, in determining the time for commencement and completion of construction and in proceeding with construction work. Accordingly the Borrower, and any Contractor, by proceeding with construction expressly waives and is deemed to have waived any and all claims against the Agency for damages, direct or indirect, arising out of these Labor Standards and their enforcement and including but not limited to claims relative to stop work orders, and the commencement, continuance or completion of construction.

# Office of Community Investment and Infrastructure

## NOTICE TO EMPLOYEES

### ***EQUAL OPPORTUNITY NON-DISCRIMI- NATION***

The contractor must take equal opportunity steps to provide employment opportunities to minority group persons and women and shall not discriminate on the basis of age, ancestry, color, creed, disability, gender, national origin, race, religion or sexual orientation.

### ***PREVAILING WAGE***

You shall not be paid less than the wage rate attached to this Notice for the kind of work you perform.

### ***OVERTIME***

You must be paid not less than one and one-half times your basic rate of pay for all hours worked over 8 a day or 40 a week, whichever is greater.

### ***APPRENTICES***

Apprentice rates apply only to employees registered under an apprenticeship or trainee program approved by the Bureau of Apprenticeship and Training or the California Division of Apprenticeship Standards.

### ***PROPER PAY***

If you do not receive proper pay, write the Office of Community Investment and Infrastructure, OCII  
1 South Van Ness Ave. 5<sup>th</sup> Floor  
San Francisco, CA 94103  
or call **749-2546** and ask for  
**Mr. George Bridges**  
Contract Compliance Specialist

# Attachment #17: Permanent Work Force Agreement

- I. **PURPOSE.** The purposes of the Office of Community Investment and Infrastructure (the “Agency”) and the Developer/Affordable Developer in entering into this Permanent Work Force Agreement are to ensure:
- A. that San Francisco residents obtain 50 percent of the permanent jobs in the work forces of the Owner and tenants at the Site.
  - B. that San Francisco residents are given first consideration for employment by the Owner and tenants for permanent employment at the Site.

- II. **APPLICATION OF THIS SCHEDULE TO TENANTS.** The Developer shall include verbatim in its leases and require the incorporation verbatim in all subleases for space in the Site the provisions of this Permanent Work Force Agreement. The lease shall make the incorporated provisions binding on and enforceable by the Agency against the tenant to the same extent as these provisions are binding on and enforceable against the Developer; except that:

- A. Unless agreed otherwise by the Agency, a tenant with 26 or more employees shall submit its workforce plan through the Developer to the Agency not later than 90 days prior to hiring any permanent employees to work on the tenant's premises; rather than pursuant to the requirements set forth in Section V.B.
- B. A tenant with 25 or less employees shall not be required to submit a workforce plan pursuant to Section IV, but instead shall undertake and document in writing the good faith efforts it made to meet the goals and first consideration in employment requirements set forth in Section III. The Agency’s Contract Compliance Department shall determine if such a tenant has exercised good faith efforts.
- C. A tenant with less than 25 employees shall submit to the Agency the reports required by Section VII of not later than 60 days after it opens for business and annually thereafter.

III. **GOALS AND OBJECTIVES.**

- A. make good faith efforts to employ 50 percent of its work force at the Site in each job category from residents of the City and County of San Francisco.
- B. as provided in Section IV.B.1, give first consideration for employment at the Site to residents of San Francisco.

IV. **PERMANENT WORKFORCE PLAN.**

- A. The Developer and each tenant with more than 26 employees, whether or not it is a federal contractor, shall prepare and adopt a plan for its permanent work force at the Site.
- B. The workforce plan shall contain the following:
  - 1. Detailed procedures for ensuring that San Francisco residents who are equally or more qualified than other candidates obtain first consideration for employment. These procedures shall include specific recruiting, screening and hiring procedures (e.g., phased hiring) which ensure that qualified residents receive

offers of employment prior to other equally or less qualified candidates. If a candidate(s) who is entitled to first consideration is not selected for the position, the Developer or tenant shall have the burden of establishing to the Agency and the arbitrator (if the matter is taken to arbitration), that the candidate who was selected was better qualified for the position than the candidate(s) who was entitled to first consideration.

2. Where it is a reasonable expectation that 10 percent or more of the employees in any job category will regularly work less than 35 hours per week, detailed procedures for ensuring that minority group persons, women, and San Francisco residents do not receive a disproportionate share of the part time work.
3. An agreement that not more than 15 percent of the positions in any job category will be filled by persons transferred from other facilities operated by the Developer, without the prior approval of the Agency. The Agency shall grant approval upon a showing that transfers in excess of 15 percent do not unreasonably interfere with the objective of creating new jobs for San Francisco residents and that such transfers further legitimate business needs of the Owner. Transfers shall be counted in determining if the Developer has met the employment goals for each ethnic group and women.
4. Where required by the Agency, detailed procedures for utilizing Outreach Organizations as meaningful referral sources for job applicants.

#### V. **ARBITRATION OF DISPUTES.**

**Arbitration** by **AAA**. Any dispute regarding this Permanent Work Force Agreement shall be determined by arbitration through the American Arbitration Association, San Francisco, California office ("AAA") in accordance with the Commercial Rules of the AAA then applicable, but subject to the further revisions thereof. The arbitration shall take place in the City and County of San Francisco.

**Demand for Arbitration.** Where the Owner disagrees with the Agency's Notice of Non-Qualification or Notice of Non-Compliance, **the Owner shall have seven (7) business days, in which to file a Demand for Arbitration,** unless otherwise stipulated by the parties. The Demand for Arbitration shall contain at a minimum: (1) a cover letter demanding arbitration under this provision and identifying entities believed to be involved in the dispute; (2) a copy of the Notice of Non-Qualification or Notice of Non-Compliance; and (3) any written response to the Notice of Non-Qualification or Notice of Non-Compliance. If the Owner fails to file a timely Demand for Arbitration, the Owner shall be deemed to have accepted and to be bound by the finding of Non-Qualification or the findings and recommendations contained in the Notice of Non-Compliance.

**Parties' Participation.** The Agency and all persons or entities that have a contractual relationship affected by the dispute shall be made an Arbitration Party. Any such person or entity not made an Arbitration Party in the Demand for Arbitration may intervene as an Arbitration Party and in turn may name any other such person or entity as an Arbitration Party, provided however, that the Owner made an initial timely Demand for Arbitration pursuant to Section V.B. above.

**Agency Request to AAA.** Within seven (7) business days after service of a Demand for Arbitration, the Agency shall transmit to AAA a copy of the Demand for Arbitration, the Notice of Non-Qualification or Notice of Non-Compliance, and any written response thereto from the affected party. Such material shall be made part of the arbitration record.

**Selection of Arbitrator.** One arbitrator shall arbitrate the dispute. The arbitrator shall be selected from the panel of arbitrators from AAA by the parties to the arbitration in accordance with the AAA rules. The parties shall act diligently in this regard. If the Arbitration Parties fail to agree on an arbitrator within seven (7) days from the receipt of the panel, AAA shall appoint the arbitrator. A condition to the selection of any arbitrator shall be that person's agreement to render a decision within ninety (90) days from the arbitrator's fulfillment of the disclosure requirements set forth in California Code of Civil Procedure Section 1281.9.

**Setting of Arbitration Hearing.** A hearing shall be held within ninety (90) days of the date of the filing of the Request, unless otherwise agreed by the parties. The arbitrator shall set the date, time and place for the arbitration hearing(s) within the prescribed time periods by giving notice by hand delivery or first class mail to each Arbitration Party.

**Discovery.** In arbitration proceedings hereunder, discovery shall be permitted in accordance with Code of Civil Procedure §1283.05.

**Burden of Proof.** The burden of proof with respect to Permanent Work Force compliance and/or Good Faith Efforts shall be on the Owner. The burden of proof as to all other alleged breaches by the Owner shall be on the Agency.

**California Law Applies.** Except where expressly stated to the contrary in this Permanent Work Force Agreement, California law, including the California Arbitration Act, Code of Civil Procedure §§ 1280 through 1294.2, shall govern all arbitration proceedings.

**Arbitration Remedies and Sanctions.** The arbitrator may impose only the remedies and sanctions set forth below:

1. Order specific, reasonable actions and procedures, in the form of a temporary restraining order, preliminary injunction or permanent injunction, to mitigate the effects of the non-compliance and/or to bring any non-compliant Arbitration Party into compliance.
2. Require any Arbitration Party to refrain from entering into new contracts related to work covered by the Owner or this Permanent Work Force Agreement, or from granting extensions or other modifications to existing contracts related to services covered by the Owner or this Permanent Work Force Agreement, other than those minor modifications or extensions necessary to enable compliance with this Permanent Work Force Agreement.
3. Direct any Arbitration Party to cancel, terminate, suspend or cause to be cancelled, terminated or suspended, any contract or portion(s) thereof for failure of any party to the arbitration to comply with any of the Agency's Work Force policy requirements. Contracts may be continued upon the condition that a program for future compliance is approved by the Agency.

4. If any Arbitration Party is found to be in willful breach of its obligations hereunder, the arbitrator may impose a monetary sanction not to exceed Fifty Thousand Dollars (\$50,000.00) or ten percent (10%) of the base amount of the breaching party's contract, whichever is less, for each such willful breach; provided that, in determining the amount of any monetary sanction to be assessed, the arbitrator shall consider the financial capacity of the breaching party. No monetary sanction shall be imposed pursuant to this paragraph for the first willful breach of this Permanent Work Force Agreement unless the breaching party has failed to cure after being provided notice and a reasonable opportunity to cure. Monetary sanctions may be imposed for subsequent willful breaches by any Arbitration Party whether or not the breach is subsequently cured. For purposes of this paragraph, "willful breach" means a knowing and intentional breach.
5. Direct any Arbitration Party to produce and provide to the Agency any records, data or reports which are necessary to determine if a violation has occurred and/or to monitor the performance of any Arbitration Party.

**Arbitrator's Decision.** The arbitrator shall make his or her award within twenty (20) days after the date that the hearing is completed; provided that where a temporary restraining order is sought, the arbitrator shall make his or her award not later than twenty-four (24) hours after the hearing on the motion. The arbitrator shall send the decision by certified or registered mail to each Arbitration Party.

**Default Award: No Requirement to Seek an Order Compelling Arbitration.** The arbitrator may enter a default award against any person or entity who fails to appear at the hearing, provided that: (1) said person or entity received actual notice of the hearing; and (2) the complaining party has a proof of service for the absent person or entity. In order to obtain a default award, the complaining party need not first seek or obtain an order to arbitrate the controversy pursuant to Code of Civil Procedure §1281.2.

**Arbitrator Lacks Power to Modify.** Except as otherwise provided, the arbitrator shall have no power to add to, subtract from, disregard, modify or otherwise alter the terms of this Permanent Work Force Agreement or any other agreement between the Agency and Owner or to negotiate new agreements or provisions between the parties.

**Jurisdiction/Entry of Judgment.** The inquiry of the arbitrator shall be restricted to the particular controversy which gave rise to the Demand for Arbitration. A decision of the arbitrator issued hereunder shall be final and binding upon all Arbitration Parties. The non-prevailing Arbitration Party(ies) shall pay the arbitrator's fees and related costs of arbitration (or reimburse the Arbitration Parties that advanced such arbitration fees and costs). Each Arbitration Party shall pay its own attorneys' fees, provided, however, that attorneys' fees may be awarded to the prevailing party if the arbitrator finds that the arbitration action was instituted, litigated, or defended in bad faith. Judgment upon the arbitrator's decision may be entered in any court of competent jurisdiction.

**Exculpatory Clause.** Owner expressly waives any and all claims against the Agency for damages, direct or indirect, including, without limitation, claims relative to the commencement, continuance and completion of construction and/or providing professional and consulting services ("the Work"). Owner acknowledges and agrees that the procedures set forth herein for dealing with alleged breaches or failure to comply with

the obligations and requirements of this Permanent Work Force Agreement are reasonable and have been anticipated by the parties in securing financing, in inviting, submitting and receiving bids and proposals for the planning, design and construction of the improvements and in determining the times for commencement and completion of the planning, design and construction and/or for providing consulting, professional or personal services.

**Severability.** The provisions of this Permanent Work Force Agreement are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this Permanent Work Force Agreement or the invalidity of the application thereof to any person or circumstance shall not affect the validity of the remainder of this Permanent Work Force Agreement or the validity of their application to other persons or circumstances.

**Arbitration Notice:** BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS SUCH RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

**WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO NEUTRAL ARBITRATION.**

\_\_\_\_\_  
Agency

\_\_\_\_\_  
Owner

VII. REPORTS.

A. The Owner and each tenant shall prepare, for its Site work force, reports for each job category which show by race, gender, residence (including if in the Western Addition Redevelopment Project Area A-2), and, where required by the Agency, by transfer/non-transfer and referral source:

- 1. Current work force composition;
- 2. applicants;
- 3. job offers;
- 4. hires;

5. rejections;
6. pending applications;
7. promotions and demotions; and
8. employees working, on average, less than 35 hours per week.

B. The reports shall be submitted quarterly to the Agency, unless otherwise required by the Agency. In this regard the Owner and each tenant agrees that if a significant number of positions are to be filled during a given period or other circumstances warrant, the Agency may require daily, weekly or monthly reports containing all or some of the above information. The Owner and each tenant further agrees that the above reports may not be sufficient for monitoring the Owner's or tenant's performance in all circumstances, that they will negotiate in good faith concerning additional reports, and that the arbitrator shall have authority to require additional reports if the parties cannot agree.

**VIII. TERM.** The obligations of the Owner and its tenants with respect to their permanent work forces as set forth in the DDA, and this Permanent Work Force Agreement, shall arise from the date the Owner or its tenants first assigns employees to the Site on a permanent basis and remain in effect for three years thereafter.

I, hereby certify that I have authority to execute this Permanent Work Force Agreement on behalf of the business, organization or entity listed below and that it will use good faith efforts to comply with the Agency's Permanent Work Force participation goals. I declare under penalty of perjury under the laws of the State of California that the above statement is true and correct.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Your Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Company Name and Phone Number

## Attachment #18: Construction Work Force Agreement

- I. **PURPOSE.** The purpose of the Office of Community Investment and Infrastructure (the “Agency”) and the Developer/Affordable Developer entering into this Construction Work Force Agreement is to ensure participation of San Francisco residents and equal employment opportunities for minority group persons and women in the construction work force involved in constructing any of the phases upon the Site covered by the DDA.
- II. **WORK FORCE GOALS.**
- A. The goal set forth below is expressed as a percentage of each Contractor's total hours of employment and training by trade on the Site. The goal represents the level of San Francisco resident participation each Contractor should reasonably be able to achieve in each construction trade in which it has employees on the Site. The Owner agrees, and will require each Contractor (regardless of tier), to use its good faith efforts to employ San Francisco residents to perform construction work upon the Site at a level at least consistent with said goals.
- B. Goal: **50 percent** participation of San Francisco residents in the total hours worked in the trade.
- C. Amendments to the goals shall be prospective and go into effect 20 days after the Agency mails written notice of the amendments to the Developer/Affordable Developer. New goals shall not be applied retroactively.
- D. Although paragraph B establishes a single goal for participation of San Francisco residents, each Contractor is required to provide equal employment opportunity and to take equal opportunity for all ethnic groups, both male and female, and all women, both minority and non-minority. Consequently, a Contractor may be in violation of this Construction Work Force Agreement if a particular ethnic group is employed in a substantially disparate manner (for example, even though the Contractor has achieved its goal for participation of San Francisco residents, the Contractor may be in violation if a specific ethnic group is underutilized.) If the Agency determines, after affording a Contractor notice and an opportunity to be heard, that the Contractor has violated its obligations under this paragraph, the Agency may set, for that Contractor, work force participation goals by particular ethnic group, e.g., Blacks, Latinos, etc.
- E. Each Contractor is individually required to comply with its obligations under this Construction Work Force Agreement, and to make a good faith effort to achieve each goal in each trade in which it has employees employed at the Site. (See Section IV below.) The overall good faith performance by other contractors or subcontractors toward a goal does not excuse any covered Contractor's failure to make good faith efforts to achieve the goals.
- F. The Contractor shall not use the goals or equal opportunity standards to discriminate against any person because of age, ancestry, color, creed, disability, gender, national origin, race, religion or sexual orientation.
- G. In order for the non-working training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees must be employed by the Contractor during the training period, and the Contractor must have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Unless otherwise permitted by law, trainees must be trained pursuant to training programs approved by the U.S. Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training ("BAT") or the California Department of Industrial Relations,

Division of Apprenticeship Standards ("DAS").

**III. INCORPORATION.** Whenever the Owner, the general contractor, any prime contractor, or any subcontractor at any tier subcontracts a portion of the work on the Site involving any construction trade, it shall set forth verbatim and make binding on each subcontractor which has a contract in excess of \$10,000 the provisions of this Construction Work Force Agreement, including the applicable goals for San Francisco resident participation in each trade.

**IV. EQUAL OPPORTUNITY REQUIREMENTS.**

A. Each Contractor shall take specific equal opportunities to ensure equal employment opportunity ("EEO"). The evaluation of the Contractor's compliance with this Construction Work Force Agreement shall be based upon its good faith efforts to achieve maximum results from its actions. Each Contractor shall document these efforts fully, and shall implement equal opportunity steps at least as extensive as the following:

1. Ensure and maintain a working environment free of harassment, intimidation, and coercion at the Site. The Contractor shall specifically ensure that all foremen, superintendents, and other on-site supervisory personnel are aware of and carry out the Contractor's obligation to maintain such a working environment.
2. Provide written notification to CityBuild when the Contractor or its unions have employment opportunities available, and maintain a record of the organizations' responses.
3. Maintain a current file of the names, addresses and telephone numbers of each resident applicant and each resident referral from a union, a recruitment source or community organization and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the Contractor by the union, or if referred, not employed by the Contractor, this shall be documented in the file with the reason therefore, along with whatever additional actions the Contractor may have taken.
4. Provide immediate written notification to the Agency when the union or unions with which the Contractor has a collective bargaining agreement has not referred to the Contractor a resident sent or requested by the Contractor, or when the Contractor has other information that the union referral process has impeded the Contractor's efforts to meet its obligations.
5. Develop on-the-job training opportunities and/or participate in training programs, including apprenticeship, trainee and upgrading programs relevant to the Contractor's employment needs, especially those funded or approved by BAT or DAS. The Contractor shall provide notice of these programs to the sources compiled under Section IV.A.2 above.
6. Disseminate the Contractor's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the Contractor in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc.; by specific review of the policy with all management personnel at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at the Site.

7. Review, prior to beginning work at the Site and at least annually thereafter, the Contractor's EEO policy and equal opportunity obligations under the DDA and this Construction Work Force Agreement with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions including specific review of these items with on-site supervisory personnel such as superintendents, general foremen, etc. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed and disposition of the subject matter. The Agency's contract compliance staff shall be invited to attend the meeting held prior to the beginning of work at the Site.
  8. Disseminate the Contractor's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the Contractor's EEO policy with other contractors and subcontractors with whom the Contractor does or anticipates doing business.
  9. Direct its recruitment efforts, both oral and written, to local minority group, female and community organizations, to schools with minority and female students and to minority and female recruitment and training organizations serving the Contractor's recruitment area and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the Contractor shall send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selection process.
  10. Encourage present minority and female employees to recruit other minority group persons and women and, where reasonable, provide after school, summer and vacation employment to minority and female youth both on the Site and in other areas of a Contractor's work force.
  11. Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60-3.
  12. Conduct, at least annually, an inventory and evaluation of San Francisco resident personnel for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training etc., such opportunities.
  13. Ensure that seniority practices, job classifications, work assignments and other personnel practices do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the Contractor's obligations hereunder are being carried out.
  14. Ensure that all facilities and company activities are nonsegregated except that separate or single-user toilet and necessary changing facilities shall be provided to assure privacy between the genders.
  15. Conduct a review, at least annually, of all supervisors' adherence to and performance under the Contractor's EEO policies and equal opportunity obligations.
- B. Contractors are encouraged to participate in voluntary associations which assist in fulfilling one or more of their equal opportunity obligations under Section IV.A.1 through 15. The efforts of a contractor association, joint contractor-union, contractor-community, or other similar group of

which the Contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under Section IV.A.1 through 15 provided that the Contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minority group persons and women in the industry, ensures that the concrete benefits of the program are reflected in the Contractor's minority and female work force composition, makes a good faith effort to meet its individual goals, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the Contractor. The obligation to comply, however, is the Contractor's and failure of such a group to fulfill an obligation shall not be a defense for the Contractor's noncompliance.

**V. ADDITIONAL PROVISIONS.**

- A. The failure by a union with which the Contractor has a collective bargaining agreement, to refer San Francisco residents shall not excuse the Contractor's obligations under this Construction Work Force Agreement.
- B. A Contractor shall not enter into any subcontract with any person or firm that the Contractor knows or should have known is debarred from government contracts pursuant to Executive Order 11246.
- C. No employee to whom the equal opportunity provisions of this Construction Work Force Agreement are applicable shall be discharged or in any other manner discriminated against by the Contractor because such employee has filed any complaint or instituted or caused to be instituted any proceeding under or relating to Attachment 9 of the DDA or this Schedule.
- D. Each Contractor shall designate a responsible official to monitor all employment-related activity to ensure that the Contractor's EEO policy is being carried out.

**VI. DOCUMENTATION AND RECORDS.**

- A. Submission of electronic certified payrolls. Each Contractor shall submit through the General Contractor to the Agency by noon on each Wednesday a report providing the information contained in the Agency's Optional Form of payroll report for the week preceding the previous week on each of its employees. Each prime contractor is responsible for the submission of this report by each of its subcontractors.
- B. Each Contractor shall submit through the General Contractor to the Agency by noon on each Wednesday a payroll report for the week preceding the previous week on each of its employees. Each prime contractor is responsible for the submission of this report by each of its subcontractors and for certifying its accuracy.
- C. No monthly progress payments will be processed until Contractor has submitted weekly certified payrolls to the Agency for the applicable time period. Certified payrolls shall be prepared pursuant to this SBE Policy for the period involved for all employees, including those of subcontractors of all tiers, for all labor incorporated into the work.
- D. Contractor shall submit certified payrolls to the Agency electronically via the Project Reporting System ("PRS") selected by the Agency, an Internet-based system accessible on the World Wide Web through a web browser. The Contractor and each Subcontractor and Supplier must register with PRS and be assigned a log-on identification and password to access the PRS.

- E. Use of the PRS may require Contractor, Subcontractors and Suppliers to enter additional data relating to weekly payroll information including, but not limited to, employee identification, labor classification, total hours worked and hours worked on this project, and wage and benefit rates paid. Contractor's payroll and accounting software may be capable of generating a "comma delimited file" that will interface with the PRS software.
- F. For each Agency-Assisted project, the Agency will provide basic training in the use of the PRS at a scheduled training session. Contractor and all Subcontractors and Suppliers and/or their designated representatives must attend the PRS training session.
- G. Contractor shall comply with the requirements of this Article VI at no additional cost to the Agency or the Owner.
- H. The Agency will not be liable for interest, charges or costs arising out of or relating to any delay in making progress payments due to Contractor's failure to make a timely and accurate submittal of weekly certified payrolls.
- I. In addition to the above, Contractor shall comply with the requirements of California Labor Code Section 1776, or as amended from time to time, regarding the keeping, filing and furnishing of certified copies of payroll records of wages paid to its employees and to the employees of its Subcontractors of all tiers.
- J. The Contractor shall make the payroll records available to for inspection at all reasonable hours at the job site office of Contractor.
- K. Contractor is solely responsible for compliance with Labor Code Section 1776 or this SBE Policy. The Agency shall not be liable for Contractor's failure to make timely or accurate submittals of certified payrolls.

## **VII. ARBITRATION OF DISPUTES.**

- A. **Arbitration** by **AAA**. Any dispute regarding this Construction Work Force Agreement shall be determined by arbitration through the American Arbitration Association, San Francisco, California office ("AAA") in accordance with the Commercial Rules of the AAA then applicable, but subject to the further revisions thereof. The arbitration shall take place in the City and County of San Francisco.
- B. **Demand for Arbitration**. Where the Owner disagrees with the Agency's Notice of Non-Qualification or Notice of Non-Compliance, **the Owner shall have seven (7) business days, in which to file a Demand for Arbitration**, unless otherwise stipulated by the parties. The Demand for Arbitration shall contain at a minimum: (1) a cover letter demanding arbitration under this provision and identifying entities believed to be involved in the dispute; (2) a copy of the Notice of Non-Qualification or Notice of Non-Compliance; and (3) any written response to the Notice of Non-Qualification or Notice of Non-Compliance. If the Owner fails to file a timely Demand for Arbitration, the Owner shall be deemed to have accepted and to be bound by the finding of Non-Qualification or the findings and recommendations contained in the Notice of Non-Compliance.
- C. **Parties' Participation**. The Agency and all persons or entities that have a contractual relationship affected by the dispute shall be made an Arbitration Party. Any such person or entity not made an Arbitration Party in the Demand for Arbitration may intervene as an Arbitration

Party and in turn may name any other such person or entity as an Arbitration Party, provided however, that the Owner made an initial timely Demand for Arbitration pursuant to Section V.B. above.

- D. **Agency Request to AAA.** Within seven (7) business days after service of a Demand for Arbitration, the Agency shall transmit to AAA a copy of the Demand for Arbitration, the Notice of Non-Qualification or Notice of Non-Compliance, and any written response thereto from the affected party. Such material shall be made part of the arbitration record.
- E. **Selection of Arbitrator.** One arbitrator shall arbitrate the dispute. The arbitrator shall be selected from the panel of arbitrators from AAA by the parties to the arbitration in accordance with the AAA rules. The parties shall act diligently in this regard. If the Arbitration Parties fail to agree on an arbitrator within seven (7) days from the receipt of the panel, AAA shall appoint the arbitrator. A condition to the selection of any arbitrator shall be that person's agreement to render a decision within ninety (90) days from the arbitrator's fulfillment of the disclosure requirements set forth in California Code of Civil Procedure Section 1281.9.
- F. **Setting of Arbitration Hearing.** A hearing shall be held within ninety (90) days of the date of the filing of the Request, unless otherwise agreed by the parties. The arbitrator shall set the date, time and place for the arbitration hearing(s) within the prescribed time periods by giving notice by hand delivery or first class mail to each Arbitration Party.
- G. **Discovery.** In arbitration proceedings hereunder, discovery shall be permitted in accordance with Code of Civil Procedure §1283.05.
- H. **Burden of Proof.** The burden of proof with respect to Construction Work Force compliance and/or Good Faith Efforts shall be on the Owner. The burden of proof as to all other alleged breaches by the Owner shall be on the Agency.
- I. **California Law Applies.** Except where expressly stated to the contrary in this Construction Work Force Agreement, California law, including the California Arbitration Act, Code of Civil Procedure §§ 1280 through 1294.2, shall govern all arbitration proceedings.
- J. **Arbitration Remedies and Sanctions.** The arbitrator may impose only the remedies and sanctions set forth below:
1. Order specific, reasonable actions and procedures, in the form of a temporary restraining order, preliminary injunction or permanent injunction, to mitigate the effects of the non-compliance and/or to bring any non-compliant Arbitration Party into compliance.
  2. Require any Arbitration Party to refrain from entering into new contracts related to work covered by the Owner or this Construction Work Force Agreement, or from granting extensions or other modifications to existing contracts related to services covered by the Owner or this Construction Work Force Agreement, other than those minor modifications or extensions necessary to enable compliance with this Construction Work Force Agreement.
  3. Direct any Arbitration Party to cancel, terminate, suspend or cause to be cancelled, terminated or suspended, any contract or portion(s) thereof for failure of any party to the arbitration to comply with any of the Agency's Work Force policy requirements. Contracts may be continued upon the condition that a program for future compliance is approved by the Agency.

4. If any Arbitration Party is found to be in willful breach of its obligations hereunder, the arbitrator may impose a monetary sanction not to exceed Fifty Thousand Dollars (\$50,000.00) or ten percent (10%) of the base amount of the breaching party's contract, whichever is less, for each such willful breach; provided that, in determining the amount of any monetary sanction to be assessed, the arbitrator shall consider the financial capacity of the breaching party. No monetary sanction shall be imposed pursuant to this paragraph for the first willful breach of this Construction Work Force Agreement unless the breaching party has failed to cure after being provided notice and a reasonable opportunity to cure. Monetary sanctions may be imposed for subsequent willful breaches by any Arbitration Party whether or not the breach is subsequently cured. For purposes of this paragraph, "willful breach" means a knowing and intentional breach.
5. Direct any Arbitration Party to produce and provide to the Agency any records, data or reports which are necessary to determine if a violation has occurred and/or to monitor the performance of any Arbitration Party.
- K. **Arbitrator's Decision.** The arbitrator shall make his or her award within twenty (20) days after the date that the hearing is completed; provided that where a temporary restraining order is sought, the arbitrator shall make his or her award not later than twenty-four (24) hours after the hearing on the motion. The arbitrator shall send the decision by certified or registered mail to each Arbitration Party.
- L. **Default Award: No Requirement to Seek an Order Compelling Arbitration.** The arbitrator may enter a default award against any person or entity who fails to appear at the hearing, provided that: (1) said person or entity received actual notice of the hearing; and (2) the complaining party has a proof of service for the absent person or entity. In order to obtain a default award, the complaining party need not first seek or obtain an order to arbitrate the controversy pursuant to Code of Civil Procedure §1281.2.
- M. **Arbitrator Lacks Power to Modify.** Except as otherwise provided, the arbitrator shall have no power to add to, subtract from, disregard, modify or otherwise alter the terms of this Construction Work Force Agreement or any other agreement between the Agency and Owner or to negotiate new agreements or provisions between the parties.
- N. **Jurisdiction/Entry of Judgment.** The inquiry of the arbitrator shall be restricted to the particular controversy which gave rise to the Demand for Arbitration. A decision of the arbitrator issued hereunder shall be final and binding upon all Arbitration Parties. The non-prevailing Arbitration Party(ies) shall pay the arbitrator's fees and related costs of arbitration (or reimburse the Arbitration Parties that advanced such arbitration fees and costs). Each Arbitration Party shall pay its own attorneys' fees, provided, however, that attorneys' fees may be awarded to the prevailing party if the arbitrator finds that the arbitration action was instituted, litigated, or defended in bad faith. Judgment upon the arbitrator's decision may be entered in any court of competent jurisdiction.
- O. **Exculpatory Clause.** Owner expressly waives any and all claims against the Agency for damages, direct or indirect, including, without limitation, claims relative to the commencement, continuance and completion of construction and/or providing professional and consulting services ("the Work"). Owner acknowledges and agrees that the procedures set forth herein for dealing with alleged breaches or failure to comply with the obligations and requirements of this Construction Work Force Agreement are reasonable and have been anticipated by the parties in securing financing, in inviting, submitting and receiving bids and proposals for the planning, design and construction of the improvements and in determining the times for commencement

and completion of the planning, design and construction and/or for providing consulting, professional or personal services.

P. **Severability.** The provisions of this Construction Work Force Agreement are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this Construction Work Force Agreement or the invalidity of the application thereof to any person or circumstance shall not affect the validity of the remainder of this Construction Work Force Agreement or the validity of their application to other persons or circumstances.

Q. **Arbitration Notice:** BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS SUCH RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

**WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO NEUTRAL ARBITRATION.**

\_\_\_\_\_  
Agency

\_\_\_\_\_  
Owner

**VIII. PRECONSTRUCTION MEETING.**

- A. Prior to the commencement of construction, the general contractor, any prime contractor, or any subcontractor at any tier shall attend a preconstruction meeting convened by the Agency and to which outreach organizations are invited to review the reporting requirements, the prospective construction work force composition and any problems that may be anticipated in meeting the construction work force goal.
- B. Any subcontractor at any tier, who does not attend such a meeting shall not be permitted on the job site. The Agency shall convene additional preconstruction meetings within 24 hours of the Contractor's request. The Contractor shall endeavor to include as many prospective subcontractors as possible at these meetings in order not to protract unduly the number of meetings.
- C. Failure to comply with this preconstruction meeting provision may result in the Agency ordering a suspension of work by the prime contractor and/or the subcontractor until the breach has been cured. Suspension under this provision is not subject to arbitration.

**IX. TERM. The obligations of the Owner and the Contractors with respect to their construction work forces, as set forth in Attachment 9 of this DDA and this Construction Work Force Agreement, shall remain in effect until completion of all work to be performed by the Owner in connection with the construction of any of the phases.**

I, hereby certify that I have authority to execute this Construction Work Force Agreement on behalf of the business, organization or entity listed below and that it will use good faith efforts to comply with the Agency's Construction Work Force participation goals. I declare under penalty of perjury under the laws of the State of California that the above statement is true and correct.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Your Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Company Name and Phone Number

**2024**  
**MAXIMUM INCOME BY HOUSEHOLD SIZE**  
 derived from the  
**Unadjusted Area Median Income (AMI)**  
 for HUD Metro Fair Market Rent Area (HMFA) that Contains San Francisco

Income Definition	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person	9 Person	10 Person	11 Person
15% OF MEDIAN	\$15,750	\$18,000	\$20,250	\$22,500	\$24,300	\$26,100	\$27,850	\$29,650	\$31,450	\$33,250	\$35,050
20% OF MEDIAN	\$21,000	\$24,000	\$26,950	\$29,950	\$32,350	\$34,750	\$37,150	\$39,550	\$41,950	\$44,350	\$46,750
25% OF MEDIAN	\$26,250	\$30,000	\$33,700	\$37,450	\$40,450	\$43,450	\$46,450	\$49,450	\$52,450	\$55,450	\$58,450
30% OF MEDIAN	\$31,450	\$35,950	\$40,450	\$44,950	\$48,550	\$52,150	\$55,750	\$59,350	\$62,950	\$66,550	\$70,150
35% OF MEDIAN	\$36,700	\$41,950	\$47,200	\$52,450	\$56,650	\$60,850	\$65,050	\$69,250	\$73,450	\$77,650	\$81,800
39% OF MEDIAN	\$40,900	\$46,750	\$52,600	\$58,450	\$63,100	\$67,800	\$72,450	\$77,150	\$81,800	\$86,500	\$91,150
40% OF MEDIAN	\$41,950	\$47,950	\$53,950	\$59,950	\$64,750	\$69,550	\$74,300	\$79,100	\$83,900	\$88,700	\$93,500
45% OF MEDIAN	\$47,200	\$53,950	\$60,700	\$67,450	\$72,850	\$78,250	\$83,600	\$89,000	\$94,400	\$99,800	\$105,200
50% OF MEDIAN	\$52,450	\$59,950	\$67,450	\$74,950	\$80,950	\$86,950	\$92,900	\$98,900	\$104,900	\$110,900	\$116,900
52% OF MEDIAN	\$54,550	\$62,350	\$70,100	\$77,900	\$84,150	\$90,400	\$96,600	\$102,850	\$109,100	\$115,350	\$121,550
55% OF MEDIAN	\$57,700	\$65,950	\$74,150	\$82,400	\$89,000	\$95,600	\$102,200	\$108,800	\$115,400	\$122,000	\$128,550
60% OF MEDIAN	\$62,950	\$71,950	\$80,900	\$89,900	\$97,100	\$104,300	\$111,500	\$118,700	\$125,900	\$133,100	\$140,250
65% OF MEDIAN	\$68,200	\$77,950	\$87,650	\$97,400	\$105,200	\$113,000	\$120,750	\$128,550	\$136,350	\$144,150	\$151,950
70% OF MEDIAN	\$73,450	\$83,950	\$94,400	\$104,900	\$113,300	\$121,700	\$130,050	\$138,450	\$146,850	\$155,250	\$163,650
72% OF MEDIAN	\$75,550	\$86,350	\$97,100	\$107,900	\$116,550	\$125,150	\$133,800	\$142,400	\$151,050	\$159,700	\$168,300
74% OF MEDIAN	\$77,650	\$88,750	\$99,800	\$110,900	\$119,750	\$128,650	\$137,500	\$146,350	\$155,250	\$164,150	\$173,000
75% OF MEDIAN	\$78,700	\$89,950	\$101,150	\$112,400	\$121,400	\$130,400	\$139,350	\$148,350	\$157,350	\$166,350	\$175,300
80% OF MEDIAN	\$83,900	\$95,900	\$107,900	\$119,900	\$129,500	\$139,100	\$148,650	\$158,250	\$167,850	\$177,450	\$187,000
85% OF MEDIAN	\$89,150	\$101,900	\$114,600	\$127,350	\$137,550	\$147,750	\$157,950	\$168,150	\$178,350	\$188,550	\$198,700
90% OF MEDIAN	\$94,400	\$107,900	\$121,350	\$134,850	\$145,650	\$156,450	\$167,200	\$178,000	\$188,800	\$199,600	\$210,400
95% OF MEDIAN	\$99,650	\$113,900	\$128,100	\$142,350	\$153,750	\$165,150	\$176,500	\$187,900	\$199,300	\$210,700	\$222,050
100% OF MEDIAN	\$104,900	\$119,900	\$134,850	\$149,850	\$161,850	\$173,850	\$185,800	\$197,800	\$209,800	\$221,800	\$233,750
104% OF MEDIAN	\$109,100	\$124,700	\$140,250	\$155,850	\$168,300	\$180,800	\$193,250	\$205,700	\$218,200	\$230,650	\$243,100
105% OF MEDIAN	\$110,150	\$125,900	\$141,600	\$157,350	\$169,950	\$182,550	\$195,100	\$207,700	\$220,300	\$232,900	\$245,450
110% OF MEDIAN	\$115,400	\$131,900	\$148,350	\$164,850	\$178,050	\$191,250	\$204,400	\$217,600	\$230,800	\$244,000	\$257,150
115% OF MEDIAN	\$120,650	\$137,900	\$155,100	\$172,350	\$186,150	\$199,950	\$213,650	\$227,450	\$241,250	\$255,050	\$268,800
120% OF MEDIAN	\$125,900	\$143,900	\$161,800	\$179,800	\$194,200	\$208,600	\$222,950	\$237,350	\$251,750	\$266,150	\$280,500
130% OF MEDIAN	\$136,350	\$155,850	\$175,300	\$194,800	\$210,400	\$226,000	\$241,550	\$257,150	\$272,750	\$288,350	\$303,900
135% OF MEDIAN	\$141,600	\$161,850	\$182,050	\$202,300	\$218,500	\$234,700	\$250,850	\$267,050	\$283,250	\$299,450	\$315,550
140% OF MEDIAN	\$146,850	\$167,850	\$188,800	\$209,800	\$226,600	\$243,400	\$260,100	\$276,900	\$293,700	\$310,500	\$327,250
145% OF MEDIAN	\$152,100	\$173,850	\$195,550	\$217,300	\$234,700	\$252,100	\$269,400	\$286,800	\$304,200	\$321,600	\$338,950
149% OF MEDIAN	\$156,300	\$178,650	\$200,950	\$223,300	\$241,150	\$259,050	\$276,850	\$294,700	\$312,600	\$330,500	\$348,300
150% OF MEDIAN	\$157,350	\$179,850	\$202,300	\$224,800	\$242,800	\$260,800	\$278,700	\$296,700	\$314,700	\$332,700	\$350,650
160% OF MEDIAN	\$167,850	\$191,850	\$215,750	\$239,750	\$258,950	\$278,150	\$297,300	\$316,500	\$335,700	\$354,900	\$374,000
175% OF MEDIAN	\$183,600	\$209,850	\$236,000	\$262,250	\$283,250	\$304,250	\$325,150	\$346,150	\$367,150	\$388,150	\$409,050
200% OF MEDIAN	\$209,800	\$239,800	\$269,700	\$299,700	\$323,700	\$347,700	\$371,600	\$395,600	\$419,600	\$443,600	\$467,500

**San Francisco Mayor's Office of Housing and Community Development**

Notes:

1. Source: U.S. Dept. of Housing and Urban Development, published: 04/01/2024
2. Figures derived by SF MOHCD from HUD's 2024 Median Family Income for a 4 person Household for San Francisco ('HMFA'), unadjusted for high housing costs, and are rounded to the nearest \$50.
3. Additional information on HUD's defined income limits can be found at: <http://www.huduser.org/portal/datasets/il.html>
4. Figures above further derived via application of MOHCD AMI Hold Harmless Policy, effective 05/03/2019: <https://tinyurl.com/SFAMIHoldHarmless>

Effective Date: 04/30/2024

**2024**  
**MAXIMUM MONTHLY RENT BY UNIT TYPE**  
 derived from the  
**Unadjusted Area Median Income (AMI)**  
 for HUD Metro Fair Market Rent Area (HMFA) that Contains San Francisco  
 Published by the San Francisco Mayor's Office of Housing and Community Development

		SRO	STUDIO	1BR	2BR	3BR	4BR	5BR
<b>15% OF MEDIAN</b>	Max Gross Rent	\$295	\$394	\$450	\$506	\$563	\$608	\$653
<b>20% OF MEDIAN</b>	Max Gross Rent	\$394	\$525	\$600	\$674	\$749	\$809	\$869
<b>25% OF MEDIAN</b>	Max Gross Rent	\$492	\$656	\$750	\$843	\$936	\$1,011	\$1,086
<b>30% OF MEDIAN</b>	Max Gross Rent	\$590	\$786	\$899	\$1,011	\$1,124	\$1,214	\$1,304
<b>35% OF MEDIAN</b>	Max Gross Rent	\$688	\$918	\$1,049	\$1,180	\$1,311	\$1,416	\$1,521
<b>39% OF MEDIAN</b>	Max Gross Rent	\$767	\$1,023	\$1,169	\$1,315	\$1,461	\$1,578	\$1,695
<b>40% OF MEDIAN</b>	Max Gross Rent	\$787	\$1,049	\$1,199	\$1,349	\$1,499	\$1,619	\$1,739
<b>45% OF MEDIAN</b>	Max Gross Rent	\$885	\$1,180	\$1,349	\$1,518	\$1,686	\$1,821	\$1,956
<b>50% OF MEDIAN</b>	Max Gross Rent	\$983	\$1,311	\$1,499	\$1,686	\$1,874	\$2,024	\$2,174
<b>52% OF MEDIAN</b>	Max Gross Rent	\$1,023	\$1,364	\$1,559	\$1,753	\$1,948	\$2,104	\$2,260
<b>55% OF MEDIAN</b>	Max Gross Rent	\$1,082	\$1,443	\$1,649	\$1,854	\$2,060	\$2,225	\$2,390
<b>60% OF MEDIAN</b>	Max Gross Rent	\$1,180	\$1,574	\$1,799	\$2,023	\$2,248	\$2,428	\$2,608
<b>65% OF MEDIAN</b>	Max Gross Rent	\$1,279	\$1,705	\$1,949	\$2,191	\$2,435	\$2,630	\$2,825
<b>70% OF MEDIAN</b>	Max Gross Rent	\$1,377	\$1,836	\$2,099	\$2,360	\$2,623	\$2,833	\$3,043
<b>72% OF MEDIAN</b>	Max Gross Rent	\$1,417	\$1,889	\$2,159	\$2,428	\$2,698	\$2,914	\$3,129
<b>74% OF MEDIAN</b>	Max Gross Rent	\$1,456	\$1,941	\$2,219	\$2,495	\$2,773	\$2,994	\$3,216
<b>75% OF MEDIAN</b>	Max Gross Rent	\$1,476	\$1,968	\$2,249	\$2,529	\$2,810	\$3,035	\$3,260
<b>80% OF MEDIAN</b>	Max Gross Rent	\$1,573	\$2,098	\$2,398	\$2,698	\$2,998	\$3,238	\$3,478
<b>90% OF MEDIAN</b>	Max Gross Rent	\$1,770	\$2,360	\$2,698	\$3,034	\$3,371	\$3,641	\$3,911
<b>100% OF MEDIAN</b>	Max Gross Rent	\$1,967	\$2,623	\$2,998	\$3,371	\$3,746	\$4,046	\$4,346
<b>105% OF MEDIAN</b>	Max Gross Rent	\$2,065	\$2,754	\$3,148	\$3,540	\$3,934	\$4,249	\$4,564
<b>110% OF MEDIAN</b>	Max Gross Rent	\$2,164	\$2,885	\$3,298	\$3,709	\$4,121	\$4,451	\$4,781
<b>120% OF MEDIAN</b>	Max Gross Rent	\$2,361	\$3,148	\$3,598	\$4,045	\$4,495	\$4,855	\$5,215
<b>130% OF MEDIAN</b>	Max Gross Rent	\$2,557	\$3,409	\$3,896	\$4,383	\$4,870	\$5,260	\$5,650
<b>135% OF MEDIAN</b>	Max Gross Rent	\$2,655	\$3,540	\$4,046	\$4,551	\$5,058	\$5,463	\$5,868
<b>140% OF MEDIAN</b>	Max Gross Rent	\$2,753	\$3,671	\$4,196	\$4,720	\$5,245	\$5,665	\$6,085
<b>150% OF MEDIAN</b>	Max Gross Rent	\$2,950	\$3,934	\$4,496	\$5,058	\$5,620	\$6,070	\$6,520
<b>160% OF MEDIAN</b>	Max Gross Rent	\$3,147	\$4,196	\$4,796	\$5,394	\$5,994	\$6,474	\$6,954
<b>175% OF MEDIAN</b>	Max Gross Rent	\$3,443	\$4,590	\$5,246	\$5,900	\$6,556	\$7,081	\$7,606
<b>200% OF MEDIAN</b>	Max Gross Rent	\$3,934	\$5,245	\$5,995	\$6,743	\$7,493	\$8,093	\$8,693

**Allowable Annual Rent Increase for existing tenants in projects governed by the above MOHCD Rent Limits:** **3.99%**

These maximum gross rents apply to units for which the owner pays the cost of all utilities. To calculate the maximum rent when the tenant pays for some or all of the utilities, or "net rent," 1) determine which utilities will be the tenant's responsibility, 2) look up the corresponding utility allowances in the chart below, 3) calculate the total of those allowances and 4) subtract the total from the maximum gross rent. The following example is for a 3 BR unit restricted to households with incomes at or below 60% AMI and for which the tenants will have to pay the cost of electricity and gas cooking and the owner will pay for heat and hot water.

Cooking - Natural Gas - 3BR	\$9	Maximum Gross Rent - 3BR - 60% AMI	\$2,248
Other Electricity - 3BR	\$115	Total Utility Allowance	-\$124
Total Utility Allowance	\$124	Maximum Net Rent	\$2,124

Utility or Service		Monthly Dollar Allowances						
		STUDIO	1BR	2BR	3BR	4BR	5BR	
Heating	a. Natural Gas	12	17	22	27	34	39	
	b. Electric	35	48	62	76	97	110	
Cooking	a. Natural Gas	4	6	7	9	12	13	
	b. Electric	18	25	33	40	51	58	
Other Electric		52	73	94	115	147	168	
Water Heating	a. Natural Gas	11	16	20	25	32	36	
	b. Electric	47	66	84	103	131	150	

Utility Allowances approved for the San Francisco Housing Authority, effective 1/1/2024:  
[https://sfha.org/files/documents/SFHA%20Utility%20Allowance%20-%20HCV%202024%20%281%29\\_0.pdf](https://sfha.org/files/documents/SFHA%20Utility%20Allowance%20-%20HCV%202024%20%281%29_0.pdf)

	SRO	STUDIO	1BR	2BR	3BR	4BR	5BR
<b>FAIR MARKET RENT:</b>	<b>\$1,719</b>	<b>\$2,292</b>	<b>\$2,818</b>	<b>\$3,359</b>	<b>\$4,112</b>	<b>\$4,473</b>	<b>\$5,144</b>

Source: HUD, effective 10/1/2023  
[https://www.huduser.gov/portal/datasets/fmr/fmrs/FY2024\\_code/2024summary.odn](https://www.huduser.gov/portal/datasets/fmr/fmrs/FY2024_code/2024summary.odn)

	SRO	STUDIO	1BR	2BR	3BR	4BR	5BR
<b>SFHA Payment Standard:</b>	<b>\$2,138</b>	<b>\$2,851</b>	<b>\$3,506</b>	<b>\$4,178</b>	<b>\$5,115</b>	<b>\$5,564</b>	<b>\$6,398</b>

\*As published by the San Francisco Housing Authority, effective 1/1/2024 for all transactions.  
<https://sfha.org/files/documents/SFHA%20Payment%20Standards%202024%20-%20Revised%2003.6.24.pdf>

	STUDIO	1BR	2BR	3BR	4BR	5BR
<b>LOW HOME RENTS</b>	<b>\$1,713</b>	<b>\$1,836</b>	<b>\$2,203</b>	<b>\$2,545</b>	<b>\$2,840</b>	<b>\$3,133</b>
<b>HIGH HOME RENTS</b>	<b>\$2,208</b>	<b>\$2,366</b>	<b>\$2,842</b>	<b>\$3,275</b>	<b>\$3,634</b>	<b>\$3,991</b>

[https://www.huduser.gov/portal/datasets/home-datasets/files/HOME\\_RentLimits\\_State\\_CA\\_2024.pdf](https://www.huduser.gov/portal/datasets/home-datasets/files/HOME_RentLimits_State_CA_2024.pdf)  
**Allowable annual rent increase for project governed by HOME Rent requirements:** **5.10%**

**Maximum Annual Increase of Gross Rent for projects that are subject to limits set by the San Francisco Rent Board:** **1.7%**  
<https://sf.gov/sites/default/files/2023-11/571%20Allowable%20Annual%20Increases%2024-25%20EN%2011.17.23.pdf>

- Assumptions/Notes:**
- Rents Calculated at 30% of corresponding monthly income limit amount.
  - Occupancy Standard is one person per bedroom plus one additional person.
  - Maximum Rents are derived via application of MOHCD AMI Hold Harmless Policy, effective 05/03/2019: <https://tinyurl.com/SFAMIHoldHarmless>

**PROPERTY OWNER AND OCCUPANT PREFERENCE PROGRAM**

**(CERTIFICATE OF PREFERENCE PROGRAM)**

**OF THE REDEVELOPMENT AGENCY  
OF THE  
CITY AND COUNTY OF SAN FRANCISCO**

**As amended and restated pursuant to  
Agency Resolution No. 57-2008 (June 3, 2008)**

**As further amended pursuant to  
Successor Agency Resolution No. 40-2020 (Dec. 15, 2020)**

**As amended December 15, 2020**

**Effective January 1, 2021**

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## I. INTRODUCTION.

In 1967, the Redevelopment Agency of the City and County of San Francisco (“Agency”) established a Certificate of Preference Program for displaced residents and businesses in the Western Addition A-2 Redevelopment Project Area.<sup>1</sup> The Agency was in the midst of implementing federally-funded urban renewal programs. It created a local program whereby displaced residents and businesses received “Certificates of Preference” and were thus entitled to a priority in the renting or buying of Agency-owned or approved property. The preference was in addition to other relocation benefits (i.e., fair market value for acquired property, relocation assistance, replacement housing units) that the displacees may have received; it was also subject to otherwise applicable eligibility requirements that the Agency imposed on the renting or buying of the property.

Two years later, in 1969, the California legislature established a “priority” for low- and moderate-income persons displaced by redevelopment projects “in renting or buying” affordable housing developed by redevelopment agencies.<sup>2</sup> This statutory obligation is currently codified in the Community Redevelopment Law at Section 33411.3 of the Health and Safety Code. State law does not specify how redevelopment agencies implement the “priority” for displacees.

The Certificate of Preference Program has special significance in the Western Addition A-2 and Hunters Point Redevelopment Project Areas, where federally-funded urban renewal authorized the widespread clearance and relocation of communities.<sup>3</sup> The federal programs were replicated across the country and caused wide-spread social, economic, cultural, political, and emotional upheaval that has been documented in the affected communities.<sup>4</sup> In light of the unique social and individual losses associated with urban renewal, the Agency provides enhanced preferences to those who were directly or indirectly affected by the redevelopment activities in the Western Addition A-2 and Hunters Point Redevelopment Project Areas.

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<sup>1</sup> See Rules Governing Business Preferences for the Western Addition Redevelopment Project Area A-2, Agency Resolution No. 136-63 (Oct. 22, 1963); Property Owner and Occupant Preference Policy for Reestablishment in the Western Addition Redevelopment Project A-2, Agency Resolution No. 103-67 (July 25, 1967).

<sup>2</sup> Statutes 1969, chapter 955 (Senate Bill No. 146-Moscone), § 4.

<sup>3</sup> Although other project areas were subject to “urban renewal,” they were not part of the Certificate Program. By the time the Agency adopted the original Certificate Program in 1967, massive displacement of businesses and residents had already occurred in the Western Addition A-1 and the Golden Gateway Project Areas. Moreover, the relocation of thousands of residents in the Yerba Buena Center Project Area was the subject of litigation that ultimately defined the rights of displacees in judicial orders and a settlement agreement. See Tenants and Owners in Opposition to Redevelopment (“TOOR”) v. U.S. Dept. of Housing and Urban Development, 406 F. Supp. 1024 (N.D. Cal. 1970). Apparently, these other project areas in the urban renewal era were not included in the Certificate Program because of these circumstances and thus are not part of these revised program rules.

<sup>4</sup> See generally M. Fullilove, Root Shock: How Tearing Up City Neighborhoods Hurts America, and What We Can Do About It (Ballantine Books 2004).

As noted above, the Agency has statutory obligations under the California Community Redevelopment Law to provide preferences to low- and moderate-income displacees in Agency-assisted housing and to businesses for the purposes of reentering the project area.<sup>5</sup> The Agency has fulfilled these obligations through a Certificate of Preference Program and through separately-adopted business re-entry policies that are part of redevelopment plan approvals.<sup>6</sup> Historically, the Certificate of Preference Program has applied only in the Western Addition A-2, Hunters Point (Area A of the Bayview Hunters Point Redevelopment Plan), Stockton-Sacramento,<sup>7</sup> and Bayview Industrial Triangle Redevelopment Project Areas.<sup>8</sup> In other redevelopment project areas, the Agency did not use the Certificate of Preference Program, but implemented the separately-adopted business re-entry policies and directly provided replacement housing to lower income displaced residents. Accordingly, the Certificate of Preference Program is only one means by which the Agency has fulfilled its statutory obligations to provide displaced persons with a priority in the renting or buying of property.

This Property Owner and Occupant Preference Program, as amended and restated, (“Amended and Restated Program”) codifies and clarifies recent amendments that the Agency Commission authorized in Agency Resolution No. 57-2008 (June 3, 2008).<sup>9</sup> These amendments include extending the duration of certain residential certificates, expanding the housing opportunities for certain displacees who did not receive certificates at the time of displacement because they were not then eligible, e.g., minor children and adults who were not heads of the household, revising the appeals process when the Agency denies a certificate, providing an enhanced education and outreach program to identify displacees, and reaffirming existing policies that only persons displaced by Agency action are eligible for a certificate and that a displacee may establish eligibility even though his or her name does not appear on Agency records.

In addition, the Agency Commission authorized Agency staff to continue exploring the future expansion of the certificate program to certain persons who did not live in the household at the time of displacement, but who may be the grandchildren of the original displaced heads of household, i.e., children of the persons who were children themselves at the time of displacement. The Agency

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<sup>5</sup> California Health and Safety Code, Section 33339.5 (Reentry in business in redeveloped areas); California Health and Safety Code, Section 33411.3 (Availability of low- and moderate-income units to displaced persons of low- and moderate-income).

<sup>6</sup> See List of Separately-Adopted Business Preference and Re-Entry Policies, attached as Exhibit 1.

<sup>7</sup> The Stockton-Sacramento Redevelopment Project Area expired in 2004; under the terms of the then-existing Property Owner and Occupant Preference Program, certificates of preference from that project area expired two years later in 2006.

<sup>8</sup> The Rincon Point-South Beach Redevelopment Project Area also has its own Certificate of Preference Program. Property owner and occupant re-entry preference program for the Rincon Point-South Beach Redevelopment Project Area, Agency Resolution No. 330-1980 (Oct. 28, 1980).

<sup>9</sup> Agency Resolution No. 57-2008 is attached as Exhibit 2.

Commission did not authorize an immediate expansion of the certificate program to include these “grandchildren;” rather it directed Agency staff to continue investigating, among other things, the feasibility of expanding eligibility in light of the supply of affordable housing and the ability of the Agency to meet existing demand. When Agency staff completes its review of the issues associated with the “grandchildren” expansion, it will make appropriate amendments to the program.

This Amended and Restated Program is divided into two separate sections: a program of preference for residential displacees and another program for business displacees. The residential program applies to all existing project areas, but has special provisions for certain project areas affected by urban renewal. The business program applies only to certain existing project areas that do not have a separately-adopted business re-entry policy, namely the Western Addition A-2, Hunters Point (Area A of the Bayview Hunters Point Redevelopment Plan), and Bayview Industrial Triangle Redevelopment Project Areas. In all other project areas, separate re-entry policies remain in effect and are not affected by this Amended and Restated Program.

## II. RESIDENTIAL CERTIFICATE OF PREFERENCE PROGRAM.

### A. Purpose.

1. To give certain preferences in consideration for housing to persons displaced by Agency action or action on behalf of the Agency. For purposes of these standards under the Residential Certificate of Preference Program, “Agency” refers not only to the Redevelopment Agency of the City and County of San Francisco, but also to the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (commonly known as the Office of Community Investment and Infrastructure or OCII).
2. To give enhanced preferences in consideration for housing opportunities to those persons affected by urban renewal programs in the Western Addition A-2 and Hunters Point (Area A of the Bayview Hunters Point Redevelopment Plan (the “Urban Renewal Project Areas”).
3. To implement, for all project areas, statutory requirements under the Community Redevelopment Law (Health & Safety Code § 33411.3) requiring the Agency to give priority to displaced low- and moderate-income households in Agency-assisted housing and in other housing for low- and moderate-income households.
4. To supplement other rights and benefits that may be available to displaced persons, such as relocation benefits under the Relocation Assistance and Property Acquisition Guidelines, 25 Cal. Code of Regulations, Sections 6000 et seq.

### B. Definitions.

1. “Agency-Assisted Housing Units” means those units that the Agency must make available to displaced persons under Section 33411.3 of the Health and Safety Code, i.e., low- or moderate-income housing units developed (i) with any Agency assistance, (ii) pursuant to Section 33413 of the Health and Safety Code, or (iii) in any redevelopment project area.
2. “Certificate” or “Certificate of Preference” is Agency documentation that a person or business is eligible for a preference described in this Program.
3. “Displaced Person” means a person who was a legal occupant of a building and who permanently moved him or herself from the property as a result of acquisition of the property (i) by the

Agency, (ii) by a private entity under contract with or on behalf of the Agency, or (iii) as a result of receipt of a notice of intention to acquire by the Agency. Displaced person also includes a person who moves as a result of the rehabilitation, demolition, or other displacing activity that the Agency or any person having an agreement with or acting on behalf of the Agency undertakes of real property on which the person is in lawful occupancy. A Displaced Person may be an owner or a tenant in lawful occupancy of the property from which he/she was displaced.

4. “Residential A Certificate Holder” means a Displaced Person who lived in an Urban Renewal Project Area and who is eligible to receive a Certificate of Preference based either: (i) on his or her status as a head of household at the time of displacement, or (ii) on his or her intent to live separate and apart from the household after displacement; and whose name appears on Agency records, e.g., the Site Occupant Record.
5. “Residential C Certificate Holder” means a Displaced Person who lived in an Urban Renewal Project Area and who is eligible to receive a Certificate based on his or her residency in a household at the time of Agency displacement, but who was ineligible for a Residential A Certificate of Preference. To qualify for a Residential C Certificate, the person’s name must appear on the Agency’s Site Occupant Record for a dwelling unit or the person must be able to prove, to the reasonable satisfaction of the Agency, that he or she resided in the household at the time of displacement.
6. “Residential G Certificate Holder” means a Displaced Person a) who is the head of household or who demonstrates to the reasonable satisfaction of the Agency that he or she intends to live separate and apart from the household after displacement; b) who lived in the City and County of San Francisco other than an Urban Renewal Project Area at the time of displacement; and c) who has not been provided by the Agency with permanently affordable replacement housing in an Agency-Assisted Housing Unit.
7. “Residential Certificate” means Agency documentation that a person is eligible for a Residential A, C, or G Certificate.
8. “Residential Certificate of Preference Holder” or “Residential Certificate Holder” means all classes of residential certificate holders, i.e., Residential A, C, and G Certificate Holders.
9. “Site Occupant Record” means the Agency’s record of the occupants of a building at the time of Agency displacement. The

Agency or a designated agent of the Agency is responsible for completing the Site Occupancy Record (“SOR”) for each displaced household.

10. “Urban Renewal Project Area” means the Western Addition A-2 or Hunters Point (i.e., Area A of the Bayview Hunters Point Redevelopment Project Area) Redevelopment Project Areas.
11. “Used” means a) in the case of a rental or purchase of a cooperative share, means the execution of a lease or rental agreement; or b) in the case of a purchase, the execution of a deed by the Agency or a third party pursuant to an agreement with the Agency requiring priority in sales to Certificate Holders.

C. Use of Residential Certificates.

A Residential Certificate entitles a Displaced Person, in accordance with the California Health and Safety Code Section 33411.3, to receive a priority in the renting or buying of an Agency-Assisted Housing Unit, subject to the following conditions:

1. The Displaced Person must meet the income eligibility and other requirements for the Agency-assisted housing unit.
2. Residential Certificate Holders are eligible to use a Certificate to receive a priority: 1) in the renting of, or buying of a cooperative share in, Agency-Assisted Housing Unit; and 2) in the buying of an Agency-Assisted Housing Unit. All classes of Residential Certificate Holders thus have the opportunity to exercise the Certificate twice: once for a rental or cooperative share opportunity and again for a homeownership opportunity, provided, however, that a person who is otherwise eligible for a Residential G Certificate Holder is not eligible for a Certificate if the Agency has provided the displaced household with affordable housing in an Agency-Assisted Housing Unit.
3. Residential Certificate Holders have the above-described preferences for the renting or buying of Agency-Assisted Housing Units in the following descending order of priority, provided, however, that a redevelopment plan or Agency Commission action may change this order of priority for a particular project area or project:
  - a. A Displaced Person with the earliest date of displacement.

- b. A Displaced Person seeking to use a Certificate for a housing development in the Project Area from which the person was displaced.
    - c. A Displaced Person seeking to use a Certificate for a housing development either in a Project Area from which the person was not displaced or in any other part of the City.
  - 4. The Certificate entitles the holder to preferential consideration only; the Residential Certificate Holder must still meet the otherwise applicable selection criteria on which the owner/agent shall make the final decision.
- D. Exercising Certificate Opportunities.
  - 1. As described in Section II.C.2 above, a Residential Certificate Holder has two opportunities to exercise a Certificate: once for rental or cooperative share opportunity and again for a homeownership opportunity. If the Residential Certificate Holder is successful in obtaining a unit through the use of the Certificate, he or she exercises (i.e., extinguishes) the right to use the Certificate for that particular type of housing, but may still use the certificate for a different tenure type.
    - a. In the case of a rental or cooperative share opportunity, to exercise a Residential Certificate means to secure successfully a tenancy in, or the purchase of a cooperative share in, an Agency-Assisted Housing Unit, as shown by the execution of a lease or other evidence of occupancy.
    - b. In the case of a homeownership opportunity, to exercise a Residential Certificate means to execute a deed and the closing of escrow for an Agency-Assisted Housing Unit.
  - 2. A Residential G Certificate is exercised if the Agency provides the Residential Certificate Holder with affordable housing in an Agency-Assisted Housing Unit.

E. Application of Residential Certificate Program to a Particular Project.

The Agency shall require that developers and property managers of Agency-Assisted Housing Units extend preferences to Residential Certificate Holders upon initial occupancy of a housing project or upon the vacancy of previously-occupied units in the project. The terms and conditions by which the developer or property manager will implement

these preferences shall be consistent with this Amended and Restated Program and shall appear in the affirmative marketing plan or similar documents for the project.

F. Duration of the Effectiveness of the Residential Certificate.

A Residential Certificate remains effective until the Residential Certificate Holder has completely exercised his or her Certificate as described in Section II. D; provided, however, that Certificates that have not been fully exercised shall be valid until the Successor Agency to the Redevelopment Agency of the City and County of San Francisco has completed and transferred to the City and County of San Francisco the last Agency-Assisted Housing Units authorized as an enforceable obligation under Redevelopment Dissolution Law, Cal. Health & Safety Code §§ 34170 et seq.

**III. BUSINESS CERTIFICATE OF PREFERENCE PROGRAM.**

A. Purpose.

1. To give certain re-entry preferences in consideration for business opportunities to businesses displaced by Agency action or action on behalf of the Agency.
2. To implement, for those project areas without separately-adopted business re-entry policies,<sup>10</sup> statutory requirements under the Community Redevelopment Law (Health & Safety Code § 33339.5) requiring the Agency to extend reasonable preferences to persons who were engaged in business in a redevelopment project area to reenter in business within the redeveloped area if they otherwise meet the requirements prescribed by the redevelopment plan.
3. To supplement other rights and benefits that may be available to displaced businesses, such as relocation benefits under the Relocation Assistance and Property Acquisition Guidelines, 25 Cal. Code of Regulations, Sections 6000 et seq.

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<sup>10</sup> Western Addition A-2, Hunters Point (Area A of the Bayview Hunters Point Redevelopment Project Area), and the Bayview Industrial Triangle Redevelopment Project Areas.

B. Definitions.

1. “Business Occupant” means: 1) the owner or renter of a building that was situated on real property in the Western Addition A-2, Hunters Point, or Bayview Industrial Triangle Redevelopment Project Areas and that was acquired by the Agency after the date of (i) the adoption of the redevelopment plans or (ii) the receipt of funds for acquisition of property for these project areas, whichever date occurred earlier; or 2) a tenant engaged in business in a building whose owner entered into an Owner Participation Agreement with the Agency to extensively rehabilitate the property and the tenant received the Agency’s Notice of Displacement that was required under the then-applicable federal regulations. Acquisition by the Agency includes both purchase and acquisition by eminent domain/condemnation.
2. “Business Certificate of Preference Holder” means a Business Occupant who was engaged in business in a building at the time the Agency acquired the property. To be eligible for a Business Certificate of Preference, a property owner must have been the owner of record that executed the grant deed to the Agency or the owner of record in the eminent domain at the time the Agency acquired the property. If the property owner was a corporation, partnership or other legal entity, the Certificate will be listed in the corporation or the partnership’s name. If there was more than one owner of record, only one certificate will be issued.
3. “Certificate” or “Certificate of Preference” is Agency documentation that a person or business is eligible for a preference described in this Program.
4. “Displaced Business” means a person who was a legal occupant of a building and who permanently moved his or her business from the property as a result of acquisition of the property (i) by the Agency, (ii) by a private entity under contract with or on behalf of the Agency, or (iii) as a result of receipt of a notice of intention to acquire by the Agency. Displaced business also includes a person who moves as a result of the rehabilitation, demolition, or other displacing activity that the Agency or any person having an agreement with or acting on behalf of the Agency undertakes of real property on which the person is in lawful occupancy. A Displaced Person may be an owner or a tenant in lawful occupancy of the property from which he/she was displaced.

C. Use of Business Certificates.

The Business Certificate Program applies only to the Western Addition A-2, Hunters Point, and Bayview Industrial Triangle Redevelopment Project Areas. Other redevelopment project areas have separate business re-entry and preference policies that implement Section 33339.5 of the California Health and Safety Code.<sup>11</sup>

1. Agency-Owned Property.

The Agency may offer property that it owns for purchase and development. The Agency selects developers of such parcels based on the extent to which the proposed development serves the needs of the Project Area and the City and County of San Francisco and satisfies the requirements of the request for proposals/ qualifications, if any. The Agency may extend preferences to Business Certificate Holders who were displaced from the project area in which the Agency-owned property is located. The major factors for evaluating proposals will include:

- a. Economic feasibility of the proposal.
- b. The financial capacity of the developer and the demonstrated ability of the development design team.
- c. The ability of the developer to proceed expeditiously with development of the site.
- d. Architectural quality and degree of compliance with design objectives of the offering.
- e. Other factors included in the offering.

When the Agency determines that proposals from applicants with Business Certificates and from those without Business Certificates are substantially equivalent, the Agency shall give preference to the proposal associated with the Business Certificate.

2. Rehabilitated Structures.

In the event the Agency acquires structures for rehabilitation, the Agency may sell these structures to the Business Certificate Holder who has the highest qualified bid, who complies with the terms of offering, and who was displaced from the project area in which the rehabilitated structure was located; provided, however that these

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<sup>11</sup> See List of Separately-Adopted Business Preference and Re-Entry Policies, attached as Exhibit 1.

Business Certificate Holders will not receive a preference in bidding on a residential rehabilitation offering unless there are at least two units and the property will be used to engage in business; and provided further that a Business Certificate of Preference Holder may not use priority to bid on rehabilitation offering if the intended use is for private residency.

3. Privately-Owned Commercial Space.

A Business Certificate only entitles the Business Certificate Holder who desires to rent business space from a private property owner to a preferential consideration if the space meets the requirements of the redevelopment plan and if the Agency has required the owner to provide a preference to Business Certificate Holders who were displaced from the project area in which the privately-owned commercial space is located. The owner of the business space makes the final determination on the business mix, rental rates and terms and conditions.

4. Priority of Business Certificates.

Business Certificate Holders have the above-described preferences; provided, however, that a redevelopment plan or Agency Commission action may change or eliminate the priority for a particular project area or project; and provided further that in situations where the Agency or private property owner receives applications from multiple Business Certificate Holders having equal qualifications, the Business Certificate Holder with the earliest date of displacement from the project area in which the business opportunity is located will receive priority.

D. Timing of Eligibility Determination.

When a Business Certificate is to be used for priority in preferential offerings, eligibility must be established and a certificate issued prior to the bid opening or the specified deadline for the development proposal.

E. Use of Business Certificates by Partnerships or Corporations.

1. A partnership or corporation in which a Business Certificate Holder has an ownership interest, may use the Certificate in the purchase of property provided:
  - a. The Business Certificate Holder owns outright, fifty-one percent (51%) or more of the partnership or corporation. If two or more Certificate Holders have an ownership interest in the partnership or corporation, the total percentages of ownership held by all the certificate holders must be at least 51%. In the event such partnership or corporation uses the certificate, each certificate holder, regardless of percentage of ownership, shall be deemed to have exercised his or her certificate.
  - b. The fifty-one percent (51%) or more ownership interest was not funded by a loan from the partnership, corporation, or any member or shareholder thereof and the Business Certificate Holder so declares in writing under penalty of perjury if required by the Agency.
  - c. The Business Certificate Holder must sign a non-collusion affidavit if persons other than Business Certificate Holders own the partnership or corporation.
  - d. The Business Certificate Holder shall not intend to sell his or her interest in the corporation or partnership at the time the Certificate is used and the Certificate Holder shall so declare in writing under penalty of perjury, if required by Agency.
  - e. The Business Certificate Holder shall not sell his or her interest in the corporation or partnership unless the Agency has issued a certificate of completion of new improvements and/or rehabilitation and the transfer or assignment complies with Agency anti-speculation restrictions or other conditions limiting transfer.

F. Limitations on Use of Certificate.

Business Certificate Holders may only use the Certificate. The Business Certificate of Preference cannot be used by any other person than the named recipient.

G. Exceptions to Preference.

The Agency may authorize an offering or commercial space that does not give priority to Certificate Holders, but the authorization must clearly state

that the Agency will not require preferences to holders of Business Certificates. However, persons who have, or are eligible to have, a certificate and who are successful in responding to a special disposition offering, either individually, jointly, or as members of a partnership or corporation, will be deemed to have exercised their certificate if they hold the minimum percentage of ownership specified in the special disposition.

H. Duration of the effectiveness of the Certificate.

Business Certificates shall be valid until two years after the completion of the Project Area from which the business was displaced.

**IV. APPLICATION FOR AND NON-TRANSFERABILITY OF CERTIFICATES.**

Application for all Certificates of Preference must be made to the Agency. A Certificate is not transferable voluntarily, by inheritance, by operation of law, or otherwise. A Certificate applicant is not entitled to certificate priorities until a Certificate has actually been issued. When a Certificate is requested and proof of eligibility cannot be established by Agency records, the burden shall be upon the applicant to supply the Agency with the necessary documentation.

**V. REVIEW AND APPEALS PROCEDURE.**

- A. Persons and Entities Entitled to Reconsideration (“Complainants”). A person or business who is denied a Certificate of Preference may seek reconsideration of the Agency’s decision within thirty days of receipt of the Agency’s written determination of denial by filing a written statement explaining the basis for the person’s eligibility for a Certificate of Preference. If a person has not received a written determination from the Agency within a reasonable period of time following the filing of an application for a Certificate of Preference, that person may also file for a reconsideration under this Section.
- B. Informal Settlement. The Agency shall schedule, within sixty (60) days of receipt of a request for reconsideration, an informal settlement meeting with the complainant to consider the request for reconsideration. At the meeting, the complainant shall personally present, to the Agency, any documentation or other information justifying the person’s eligibility for a Certificate of Preference under these Rules. The purpose of the meeting is to discuss the matter informally and attempt to settle without an appellate hearing. The Agency will prepare a summary of such informal discussion (the “Summary Statement”) no later than thirty (30) days from the date of the last meeting. The Summary Statement will specify the names of the participants, dates of meeting, the Agency’s decision regarding the complainant’s eligibility for a Certificate of Preference, and will specify the procedure by which an appellate hearing may be obtained if the

complainant is not satisfied. The Summary Statement shall either be delivered personally to the complainant or sent by regular mail to the complainant's address or such other address as the complainant specifies.

- C. Procedures to Obtain Administrative Review. A person that has received a Summary Statement affirming the Agency's denial of a Certificate of Preference may petition for administrative review ("Petitioner"). The Petitioner must submit a written request for administrative review to the Agency's Deputy Executive Director of Housing or his or her designee within fourteen (14) days from the date of the Summary ("Petition"). The Petition must provide the specific facts on which the complainant relies to establish eligibility for a Certificate of Preference.
- D. Hearing Officer. A neutral hearing officer shall conduct the administrative review. The hearing officer may not be a person who approved the decision to deny the Certificate of Preference or a subordinate of that person. As of the date of these amended rules, the Agency intends to use the Administrative Law Judges of the San Francisco Residential Rent Stabilization and Arbitration Board to review these matters.
- E. Scheduling of Hearing. The Hearing Officer shall hold the hearing within forty-five (45) days of the date of the filing of the Petition. The Agency shall ensure that written notice, by mail, of the date, time and place of the hearing is given at least ten (10) days prior to the date of the hearing. This notice shall also include these procedures governing the hearing.
- F. Postponements.
  - (a) The Hearing Officer may grant a postponement of a hearing only for good cause and in the interest of justice.
  - (b) "Good cause" shall include, but is not limited, to the following:
    - (1) the illness of a party, an attorney or other authorized representative of a party, or a material witness of a party;
    - (2) verified travel outside of San Francisco scheduled before the receipt of notice of the hearing; or,
    - (3) any other reason which makes it impractical to appear on the scheduled date due to unforeseen circumstances or verified pre-arranged plans which cannot be changed. Mere inconvenience or difficulty in appearing shall not constitute "good cause."

(c) Parties may agree to a postponement at any time. Where the parties have agreed to a postponement, the Hearing Officer shall be notified in writing at the earliest date possible.

(d) Requests for postponement of a hearing must be made in writing at the earliest date possible, with supporting documentation attached. The person requesting a postponement should notify the other parties of the request and provide them with any supporting documentation.

G. Absence of Parties.

If a party fails to appear at a properly noticed hearing or fails to file a written excuse for non-appearance prior to a properly noticed hearing, the Hearing Officer may, as appropriate: continue the case, decide the case on the record in accordance with these rules; dismiss the case with prejudice; or proceed to a hearing on the merits.

H. Conduct of Hearing.

(a) Oral evidence shall be taken only on oath or affirmation.

(b) Each party shall have these rights: to call and examine witnesses; to introduce exhibits; to cross-examine opposing witnesses on any matter relevant to the issues even though that matter was not covered in the direct examination; to impeach any witness regardless of which party first called him or her to testify; and to rebut the evidence against him or her. If a party does not testify in his or her own behalf he or she may be called and examined as if under cross-examination.

(c) The hearing need not be conducted according to technical rules relating to evidence and witnesses, except as hereinafter provided. Any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil actions. In the absence of a timely and proper objection, relevant hearsay evidence is admissible for all purposes. Proffered hearsay evidence to which timely and proper objection is made is admissible for all purposes, including as the sole support for a finding, if (a) it would otherwise be admissible under the rules of evidence applicable in a civil action or (b) the Hearing Officer determines, in his or her discretion, that, based on all the circumstances, it is sufficiently reliable and trustworthy. The rules of privilege shall be effective to the extent that they are otherwise required by statute to be recognized at the hearing, and irrelevant and unduly repetitious evidence shall be excluded.

- I. Burden of Proof. In any proceeding before the Hearing Officer, the Petitioner shall have the burden of proving that he or she meets the eligibility requirements for a Certificate of Preference under these Rules.
- J. Stipulations. The parties, by stipulation in writing filed with the Hearing Officer, may agree upon the facts or any portion thereof involved in the hearing. The parties may also stipulate as to the testimony that would be given by a witness if the witness were present. The Hearing Officer may require additional evidence on any matter covered by stipulation.
- K. Record of Proceedings. All proceedings before the Hearing Officer shall be recorded by tape or other mechanical means.
- L. Personal Appearances and Representation by Agent. In any proceeding before the Hearing Officer, each party may appear personally or by an attorney, or by a representative designated in writing by the party, other than an attorney.
- M. Decisions of the Hearing Officer. The Hearing Officer shall make written findings of fact and a written decision as to whether the Petitioner is eligible for a Certificate of Preference. A copy of the decision will be sent to the Petitioner and the Agency.
  - (a) The decision of the Hearing Officer to issue a Certificate of Preference shall be binding on the Agency, and the Agency shall promptly issue a Certificate of Preference consistent with the Hearing Officer's decision.
  - (b) A decision by the Hearing Officer that the Petitioner is not entitled to a Certificate of Preference shall not affect any rights the Petitioner may have to a trial de novo or judicial review in any judicial proceedings which may thereafter be brought in the matter.

## **VI. OUTREACH.**

The Agency shall provide outreach to persons who are potentially eligible Residential Certificate Holders. The Agency shall also provide education to Residential Certificate Holders on how to exercise a Certificate and information on location of the opportunities to exercise a Certificate for rental or ownership housing.

## **VII. REPORTING.**

Agency staff shall annually report to the Agency Commission on the status of the Residential Certificate Program including but not limited to the number of outstanding certificates, the number of Residential Certificate Holders for which the Agency currently has addresses, the number of new certificates issued, and the number of Residential Certificate Holders exercised in the past 12 months to purchase or rent new housing.

**VIII. PRIOR CERTIFICATES; EFFECTIVE DATE OF PROGRAM.**

- A. All non-exercised, validly issued Certificates issued prior to the effective date of this program shall be honored. However, this Amended and Restated Program shall govern the manner of exercising and prioritizing.
- B. The effective date of this Amended and Restated Program, as amended is January 1, 2021.

**IX. AMENDMENTS TO CERTIFICATE PROGRAM.**

The Agency Commission or the Executive Director may amend, from time to time, this Amended and Restated Certificate Program.

LIST OF SEPARATELY-ADOPTED BUSINESS PREFERENCE AND  
RE-ENTRY POLICIES

Business Occupant Re-Entry Policy, Bayview Hunters Point Redevelopment Project, Agency Resolution No. 34-2006 (March 7, 2006);

Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business Occupants in the Transbay Redevelopment Project, Agency Resolution No. 17-2005 (Jan. 25, 2005);

Amended Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business occupants for the South of Market Redevelopment Project, Agency Resolution No. 150-2005 (Oct. 4, 2005);

Business Reentry Preference Program for the Mission Bay North Redevelopment Project Area, Agency Resolution No. 187-98 (Sept. 17, 1998);

Business Reentry Preference Program for the Mission Bay South Redevelopment Project Area, Agency Resolution No. 192-98 (Sept. 17, 1998);

Business Occupant Re-Entry Preference Program, Hunters Point Shipyard Redevelopment Project, Agency Resolution No. 93-97 (June 17, 1997);

Property owner and occupant re-entry preference program for the Rincon Point-South Beach Redevelopment Project Area, Agency Resolution No. 330-1980 (Oct. 28, 1980);

Rules for Business Preference and Reentry for the Butchertown Redevelopment Project (“India Basin”), Agency Resolution No. 238-1968 (Dec. 10, 1968)

Special Assistance Available to Businesses and Industries and Business Preference Rules for the Yerba Buena Center Redevelopment Project Area D-1, Agency Resolution No. 108-1965 (Aug. 17, 1965)

## Attachment #21: OCII Insurance Requirements

Subject to approval by the OCII Risk Manager of the insurers and policy forms, Developer must obtain and maintain, or caused to be maintained, the insurance and bonds as set forth throughout the Compliance Term of this Agreement, or in accordance with the timeframes stated herein, at no expense to OCII.

A. **Overview of Coverage Requirements.** The following table summarizes required insurance policies and documentation. Please see Section B for more detailed descriptions of policy requirements.

Insurance Type	Coverage Amount (Minimum)	Applicable Parties	Endorsement or Certificate Required
Commercial General Liability (see Section B.1)	\$1,000,000 per occurrence/ \$2,000,000 aggregate*	Developer's design and professional contractors; and Developer (prior to start of construction)	Additional insured (see Section G)
	\$10,000,000 per occurrence/ \$10,000,000 aggregate*	Developer (upon construction start), general contractor, and subcontractors to the general contractor	Completed Operations Coverage endorsement (on construction stage policy) (see Section G)
Automobile Liability (see Section B.2)	\$1,000,000 per occurrence*	Developer and Developer's contractors	Additional insured (see Section G)
	\$10,000,000 per accident*	Upon construction start – general contractor and subcontractors to the general contractor	
Worker's Compensation and Employer's Liability (see Section B.3)	As per statute for Workers Comp; \$1,000,000 per accident; \$1,000,000 per employee; and in aggregate for bodily injury by disease as respects Employers Liability*	Developer and Developer's contractors	Waiver of subrogation
Professional Liability (see Section B.4)	\$2,000,000 per claim/ \$2,000,000 aggregate	Developer if engaged in any eligible design-related activities; and Developer's design and professional contractors	None
Crime/Dishonesty (see Section B.5)	\$1,000,000 per loss	Developer	Loss payee endorsement
Pollution Liability/Asbestos –	\$1,000,000 per claim/ \$2,000,000 aggregate	Developer or Developer's construction contractor(s)	Additional insured (see Section G)

<b>Insurance Type</b>	<b>Coverage Amount (Minimum)</b>	<b>Applicable Parties</b>	<b>Endorsement or Certificate Required</b>
During Construction (see Section B.6)			
Builder's Risk – During Construction (see Section B.7a)	100% of replacement value	Developer	Loss payee endorsement
Property Insurance – After Construction Completion (see Section B.7b)	100% of replacement value	Developer or Developer's property manager	Loss payee endorsement
Performance and Payment Bonds (see Section B.8)	100% of contract value	Developer's construction contractors	OCII and Developer named as dual obligees

*\* Umbrella, excess liability policy, or owner controlled insurance program (OCIP) may be used to meet limits (see Section D)*

B. Minimum Scope and Limits of Insurance. Developer and/or Developer's Contractors must maintain insurance with limits no less than:

1) Commercial General Liability coverage, under Insurance Services Office occurrence form CG 00 01 or other form approved by OCII, with additional insured endorsement (see Section G). Limits set forth below, combined single limit for bodily injury and property damage, including coverage for contractual liability; personal injury; fire damage legal liability; advertisers' liability; owners' and contractors' protective liability; broad form property damage; explosion, collapse and underground (XCU); products and completed operations. Umbrella, Excess Liability, or an Owner Controlled Insurance Policy may be used to meet the terms of this section.

a. Before the start of demolition/construction if the Site is unoccupied, Developer and Developer's Contractors will maintain coverage of not less than One Million Dollars (\$1,000,000) combined single limit per occurrence and Two Million Dollars (\$2,000,000) annual aggregate limit. These limit requirements apply to Developer's design and professional contractors throughout the required coverage period;

b. During demolition/construction and occupancy of the Site and ongoing operations of the Project, Developer and its Construction Contractors and/or Property Manager will maintain coverage of not less than Ten Million Dollars (\$10,000,000) combined single limit per occurrence and Ten Million Dollars (\$10,000,000) annual aggregate limit. For subcontractors to the Construction General Contractor and the Property Manager the Developer, in consultation with the Construction General Contractor and the Property Manager, as appropriate, are required to assess the risks associated with such contractors and, with the authorization of the Developer, determine and verify the appropriate level of coverage provided by the subcontractor or consultant;

c. The construction period general liability policy must include completed operations coverage for a minimum of ten (10) years. Developer must provide a completed

operations coverage endorsement (form CG 20 37 or equivalent) and OCII must be named as an additional insured pursuant Section G below.

- 2) Automobile Liability coverage for all owned, non-owned, scheduled, and hired automobiles under Insurance Services Office form number CA 00 01 or other form approved by OCII, with additional insured endorsement (see Section G). If Developer does not own any automobiles, Developer must provide OCII a written statement confirming that no automobiles are owned, and OCII will accept an Automobile Insurance policy providing coverage for Symbol 8 (hired autos) and Symbol 9 (non-owned autos), with additional insured endorsement. One Million Dollars (\$1,000,000) per accident for bodily injury and property damage, combined single limit.

For construction operations, Developer's Contractor will maintain coverage of not less than Ten Million Dollars (\$10,000,000) per accident for bodily injury and property damage, combined single limit. For subcontractors to the Construction General Contractor and the Developer, the Construction General Contractor, is required to assess the risks associated with such contractors and, with the authorization of the Developer, determine and verify the appropriate level of automobile liability coverage provided by the subcontractor or consultant.

- 3) Worker's Compensation and Employer's Liability as required by the State of California. A waiver of subrogation naming OCII is required (also known as "transfer of rights of recovery against others to us"). Employer's Liability coverage must provide limits of One Million Dollars (\$1,000,000) for bodily injury each accident; and not less than One Million Dollars (\$1,000,000) per employee; and One Million Dollars (\$1,000,000) in the annual aggregate for bodily injury by disease. If the Developer does not have any employees, then evidence of Workers' Compensation and Employers Liability coverage required herein must be provided by either the Project Sponsor(s) or the General Partner of the Partnership, in lieu of such coverage being provided by the Developer. Additionally, the Developer must provide a written statement confirming that the Developer does not have employees.
- 4) Professional Liability (Errors and Omissions) insurance, applicable to the Developer's licensed design and professional contractors (architects, engineers, surveyors and other eligible consultants) and to the Developer only if the Developer has any employees providing design or engineering services. Two Million Dollars (\$2,000,000) for each claim and in the annual aggregate limit covering negligent acts, errors or omissions in connection with professional services to be provided in connection with the Project. If the Professional Liability insurance is "claims made" coverage, these minimum limits shall be maintained for no less than five (5) years beyond completion of the scope of services performed. Any deductible over One Hundred Thousand Dollars (\$100,000) each claim must be reviewed by OCII Risk Management.

Design professionals who utilize the services of subcontractors or consultants to complete work in connection with this project are required to assess the risks associated with such contractors and, with the authorization of the Developer, determine and verify the appropriate level of coverage provided by the subcontractor or consultant. The design professional and the Developer shall assume costs and expenses that may be incurred in fulfilling any indemnity obligations as to itself or any subcontractors or consultants for whom the design professional and/or the Developer are legally liable in the absence of adequate subcontractor or consultant coverage.

- 5) Crime Policy or Fidelity Bond covering Developer and Developer's officers and employees against dishonesty with respect to the Funding Amount. One Million Dollars (\$1,000,000) each loss, with any deductible not to exceed Ten Thousand Dollars (\$10,000). Developer must provide an endorsement naming OCII as an additional obligee or loss payee.

Application of Crime Insurance Proceeds. Developer shall promptly notify OCII of any claim under the required Crime Insurance Policy. OCII may retain from the proceeds of the required Crime Insurance Policy, a sufficient amount of the proceeds to pay the Funding Amount, if any, and shall pay the balance to Developer. For the avoidance of doubt, OCII shall have no right or claim to the proceeds of the required Crime Insurance Policy in excess of the Funding Amount.

- 6) Pollution Liability and/or Asbestos Pollution Liability applicable to the work being performed, with a limit no less than One Million Dollars (\$1,000,000) per claim or occurrence and Two Million Dollars (\$2,000,000) aggregate per policy period of one year, this coverage shall be endorsed to include Non-Owned Disposal Site coverage. This policy may be provided by the Developer's construction contractor to maintain these minimum limits for no less than three (3) years beyond completion of the Project.

7) Property Insurance

- a. Builder's Risk Insurance during the course of any construction, special form coverage, excluding earthquake and flood, for one hundred percent (100%) of the replacement value of all completed improvements and OCII property in the care, custody and control of Developer or its contractor, including coverage in transit and storage off-site, with a deductible not to exceed Fifty Thousand Dollars (\$50,000) each loss, including OCII as loss payee. Builder's Risk must be maintained by the Developer or the Developer must cause its general contractor to maintain this insurance.
- b. Property Insurance after completion of construction, special form coverage, excluding earthquake and flood, but including vandalism and malicious mischief, and including boiler and machinery insurance, for one hundred percent (100%) of the replacement value of all furnishings, fixtures, equipment, improvements, alterations and property of every kind located on or appurtenant to the Site, including coverage for loss of rental income due to an insured peril for twelve (12) months, with a deductible not to exceed Twenty Five Thousand Dollars (\$25,000) each loss, including OCII as a loss payee. A waiver of subrogation naming OCII is required (also known as "transfer of rights of recovery against others to us").

- 8) Performance and Payment Bonds for eligible construction contractors during construction and/or rehabilitation, each in the amount of one hundred percent (100%) of contract amounts, naming OCII and Developer as dual obligees, or other completion security approved by OCII in its sole discretion. OCII has approved issuance of a Completion Guaranty by an affiliate of Developer to Developer's institutional lender as completion security.

- C. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions in excess of those required for policies stated herein must be declared to and approved by OCII. At the option of OCII, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects to OCII, the City and County of San Francisco and their respective commissioners, members, officers,

agents and employees; or Developer shall provide a financial guarantee satisfactory to OCII guaranteeing payment of losses and related investigations, claim administration and defense expenses.

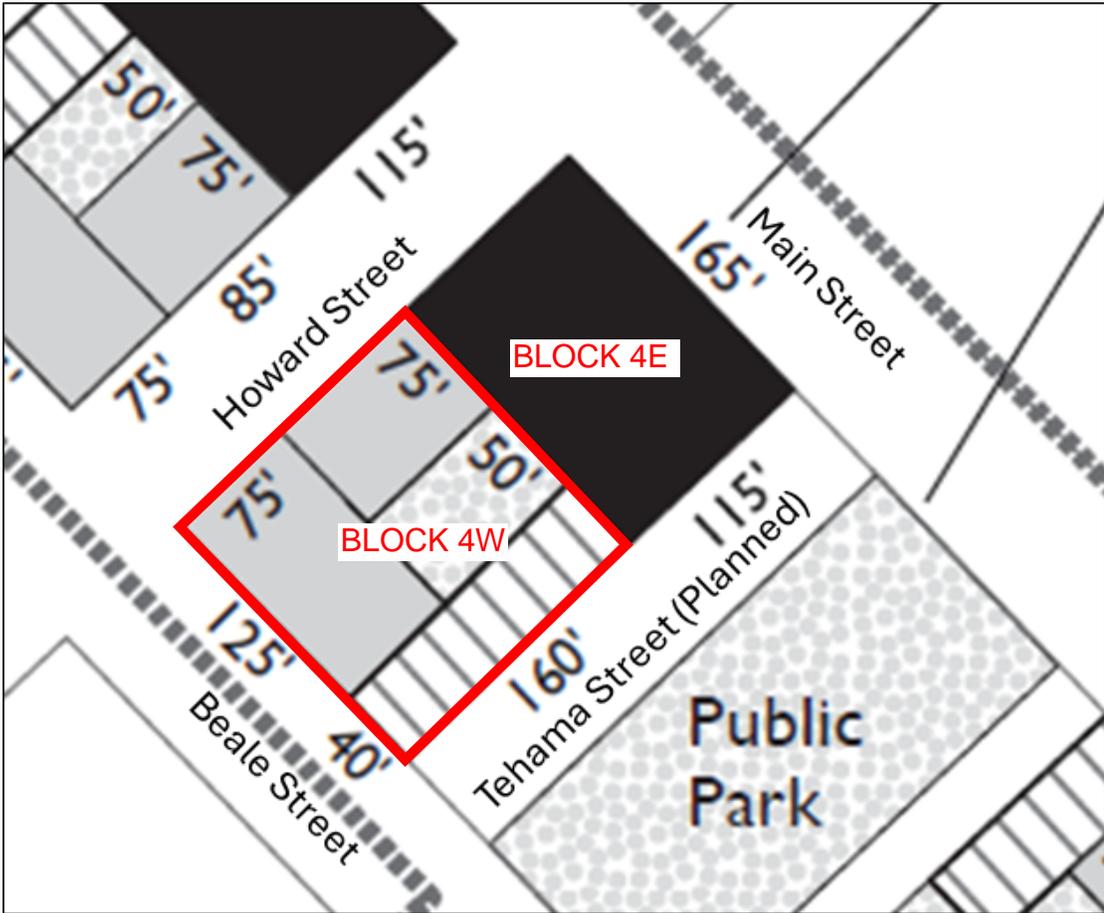
- D. Umbrella, Excess Liability, and Owner Controlled Insurance Policies (OCIP). An Umbrella and/or Excess Liability policy(ies) or an OCIP may be used to reach the Commercial General Liability, Workers' Compensation, and/or Automobile Liability coverage limits required herein. The Umbrella/Excess Liability/OCIP policy(ies) must appropriately schedule any such underlying policy(ies).
- E. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best rating of no less than A:VII, unless otherwise approved by OCII's Risk Manager.
- F. General Requirements.
- 1) If the Developer maintains additional coverages and/or higher limits than the minimums shown in this Exhibit F, OCII requires and shall be entitled to the additional coverage and/or the higher limits maintained by the Developer.
  - 2) The policies required herein, with the exception of Professional Liability and Workers Compensation, shall be primary insurance and non-contributory as respects to OCII, the City and County of San Francisco and their respective commissioners, members, officers, agents, and employees. Any insurance or self-insurance maintained by OCII, the City and County of San Francisco and their respective commissioners, members, officers, agents or employees shall be in excess of Developer's insurance and shall not contribute with it.
  - 3) Each insurance policy required herein must be endorsed (if endorsement is available) to state that coverage will not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty (30) days' prior written notice by mail has been given to OCII. Should the insurance carrier not be able to provide such notice, then the responsibility to provide the notice to OCII shall be borne by the policyholder.
  - 4) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to OCII, the City and County of San Francisco and their respective commissioners, members, officers, agents or employees.
  - 5) Approval of Developer's insurance by OCII will not relieve or decrease the liability of Developer under this Agreement.
  - 6) OCII and its officers, agents and employees will not be liable for any required premium under any policy maintained by Developer.
  - 7) All claims based on acts, omissions, injury or damage occurring or arising in whole or in part during the policy period must be covered. If any required insurance is provided under a claims-made policy, coverage must be maintained continuously for a period ending no less than five (5) years after recordation of a notice of completion for builder's risk or the Compliance Term for general liability and property insurance.
- G. Verification of Coverage. Developer must furnish OCII with certificates of insurance and original endorsements evidencing coverage required by this clause. The certificates and applicable endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind

coverage on its behalf. All certificates and endorsements are to be received and approved by OCII before work commences. OCII reserves the right to require complete, certified copies of all required insurance policies, including endorsements demonstrating the coverage required by these specifications at any time. Developer shall require and verify that its contractors and consultants maintain the required policies as stated herein. Developer must furnish OCII with copies of certificates and endorsements upon request. All certificates shall include the following:

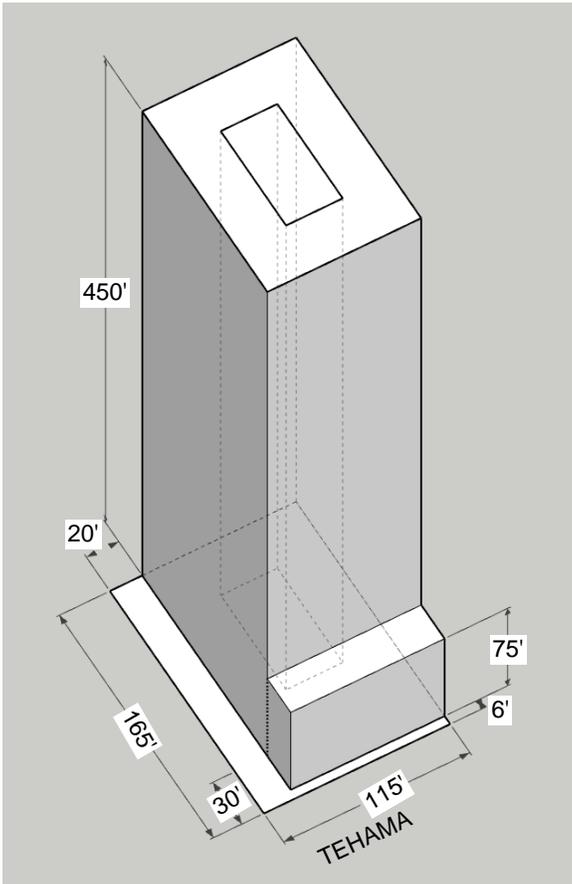
- 1) Identify the following as the certificate holder:  
Successor Agency to the Redevelopment Agency of the City and County of San Francisco  
Office of Community Investment and Infrastructure  
One South Van Ness Avenue, 5<sup>th</sup> Floor  
San Francisco, CA 94103
- 2) Identify the name of the insurance policy holder (Developer or Contractor), the Project name, and the Project address.
- 3) For policies in which OCII is required to be named as an additional insured, loss payee, dual obligee, or named on a waiver of subrogation, the policy shall name “Office of Community Investment and Infrastructure/Successor Agency to the Redevelopment Agency of the City and County of San Francisco, the City and County of San Francisco and their respective commissioners, members, officers, agents and employees” on the certificate and on the attached endorsement or certificate.

H. Review. OCII reserves the right to modify the insurance coverage under this Section, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other circumstances consistent with OCII’s Risk Management Policy. The insurance coverage required under this Section shall be evaluated by OCII for adequacy from time to time. OCII may require Developer to increase the insurance limits and/or forms of coverage in its reasonable discretion provided that such limits and/or coverage is generally available at commercially reasonable rates.

**ATTACHMENT 22**  
**BLOCK 4W & 4E SITE PLAN & MARKET-RATE TOWER EXTRUSION**

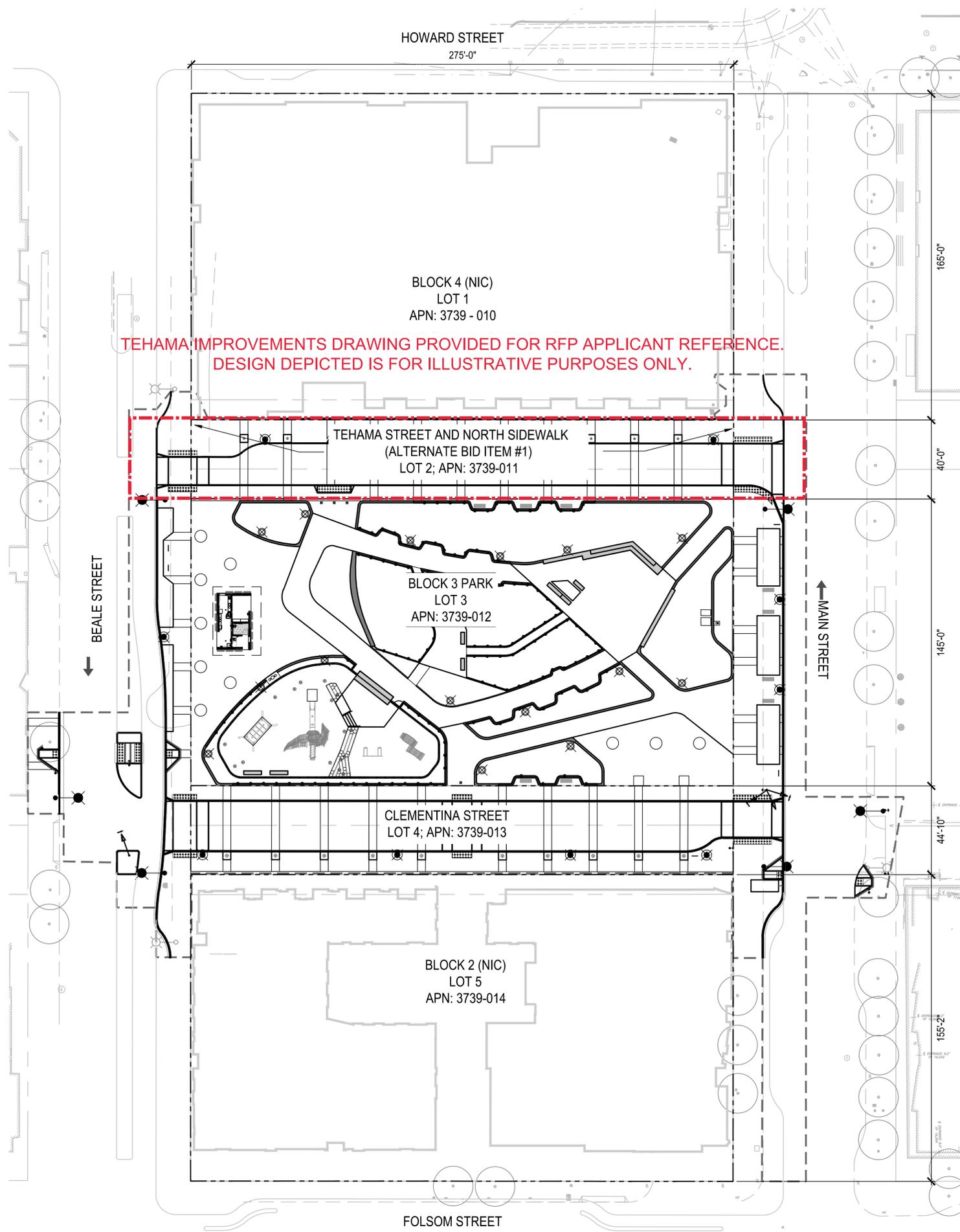


BLOCK 4W & 4E SITE PLAN



BLOCK 4E MARKET-RATE TOWER EXTRUSION

LEGEND	
SYMBOL	DESCRIPTION
	LIMIT OF WORK
	PARCEL BOUNDARY



TEHAMA IMPROVEMENTS DRAWING PROVIDED FOR RFP APPLICANT REFERENCE.  
DESIGN DEPICTED IS FOR ILLUSTRATIVE PURPOSES ONLY.



Ron Alameida - City Architect  
Jennifer Cooper - Bureau Manager  
49 South Van Ness, San Francisco, CA 94103  
Phone (628) 271-2862

Project \_\_\_\_\_

Transbay Block 3 Park and  
Streetscape Improvement Project

250 Main Street

Consultant \_\_\_\_\_

Bureau Mgr. \_\_\_\_\_

Section Mgr. \_\_\_\_\_

BID SET

No.	Date	Revisions

PM \_\_\_\_\_ KO  
Proj. L.Arch. \_\_\_\_\_ LH  
Drawn \_\_\_\_\_ JH/DC  
Checked \_\_\_\_\_ JC



Drawing Title \_\_\_\_\_

PARCEL BOUNDARY  
REFERENCE PLAN

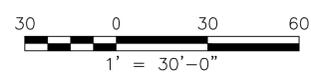
Sheet No. \_\_\_\_\_

G0.2

Scale: AS NOTED

Project No. \_\_\_\_\_

10991



Attachment 24

Beale Street Cycle Track drawing provided for RFP Applicant Reference. Anticipated curb cut providing loading/vehicular access to Block 4W is outlined in red. Beale Street design is subject to change.

