INFORMATIONAL MEMORANDUM

TO: Agency Commissioners
FROM: Fred Blackwell, Executive Director
SUBJECT: Media Clippings from 6.13.10 to 6.30.10

Enclosed is a collection of newspaper and media clippings that refer to the Redevelopment Agency or an Agency-related project or program.

(Originated by Gia Casteel-Brown, Executive Assistant)

Fred Blackwell
Executive Director

MISSION BAY:

SOMA & TRANSBAY:
Attachment 2: SF Business Times: “Turner wins $38.5M Transbay job,” June 17, 2010
Attachment 3: SF Business Times: “Affordable rental housing to replace Hugo Hotel”, June 22, 2010
Attachment 4: SF Business Times: “SoMa’s energy rekindles a sense of discovery", June 22, 2010
BAYVIEW; HUNTERS POINT SHIPYARD; VISITACION VALLEY:

Attachment 7: SF Gate.com – City Insider: "Nation of Islam threatens to hound Newsom," June 13, 2010

Attachment 8: Examiner.com: "San Francisco could save money if 49ers move south", June 15, 2010

Attachment 9: Examiner.com: "Student-designed billboards encourage women to get mammograms", June 16, 2010

Attachment 10: Examiner.com: "Visitacion Valley residents can weigh in on Caltrain’s Bayshore Station", June 17, 2010

Attachment 11: SF Gate.com – City Insider: “A new kind of billboard for Bayview”, June 18, 2010

Attachment 12: Examiner.com: "Millions approved to be spent on environmental technology campus”, June 20, 2010

Attachment 13: SF Business Times: “Hope SF starts massive 6,000-unit buildout”, June 25, 2010

Attachment 14: SF Business Times: “Now or never for Hunters Point: Supes must OK it", June 25, 2010

UCSF Plans for Empty Mission Bay Land

By Anrica Deb

In just a few years, the Mission Bay campus of the University of California, San Francisco, has solidified into a destination, with foot traffic, a farmers market, housing and a plaza with a few small restaurants.

The campus currently focuses on laboratory research, with prestigious scientists pulling in prizes left and right. However, doctors and med students - along with patients and their relatives - will soon be on hand soon as well; UCSF says its cancer patient hospitals for women and children will be completed by 2014.

With a substantial campus well on its way, the university plans to fill out the rest of its Mission Bay property with a public school, more parking, open space and research facilities.

At a meeting on Thursday in UCSF's Genentech Hall in Mission Bay (click here for a map of the region), the university kicked off the second phase of preliminary planning for these blocks, which involves community input.

One major issue is the entitlement UCSF holds to develop land in Mission Bay. The region is considered a redevelopment zone and falls under the purview of the San Francisco Redevelopment Agency. READ MORE HERE.

Posted By: Mission Loc@l (Email) | June 22 2010 at 09:20 AM
Listed Under: News | Comments (13) : Post Comment

Sort comments by: Oldest to Newest

http://www.sfgate.com/cgi-bin/blogs/inthemission/detail?entry_id=66286
Turner wins $38.5M Transbay job

San Francisco Business Times - by J.K. Dineen

Turner Construction has been tapped to provide construction management oversight services during the building of the $4 billion Transbay Transit Center, a $38.5 million contract that lasts for six years.

In its role, Turner will act as "eyes and ears" on the jobsite for the Transbay Joint Powers Authority, monitoring and documenting progress by the construction manager and the general contractor. A joint venture between Webcor and Obayashi is the general contractor on the job.

Turner will be responsible for, among other things, "project communication, documentation, record keeping, cost and schedule management, technical support, and environmental monitoring oversight."

Turner beat out a joint venture of Bovis Lend Lease and PGH Wong, which filed a protest on April 21 challenging the selection process. TJPA staff denied the protest. Others responding to the request for proposals for the job were Swinerton, Parsons Brinckerhoff, a joint venture between Tishman Construction and Hill International, and a joint venture between Jacobs and Townsend Management, according to the TJPA. Turner scored 513 on the interview and evaluation; the Bovis/PGH team scored 488.

J.K. Dineen covers real estate for the San Francisco Business Times. Contact him at jkdineen@bizjournals.com or (415) 288-4971. Read his blog postings at Bay Area BizTalk.

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The future of the long-neglected Hugo Hotel site could become clear in two months.

The fire-gutted hotel, which at Sixth and Howard streets is famously covered with furniture installed by artist Brian Goggin, was purchased for $4.6 million by the San Francisco Redevelopment Agency.

The agency recently called for bids from developers interested in razing the four-story hotel and replacing it with affordable rental housing.

Bids are due July 29 and the agency is scheduled to select a preferred developer during the final week of August.

Developers were directed to propose a new building for the site filled with one, two and three-bedroom units targeted at households earning up to half of the area’s median income.

“The ground floor of the development must include storefront space, residential lobby, on-grade off-street parking wrapped by active spaces that front Howard Street and Sixth Street,” agency staff wrote in bid documents. “Community space and laundry facilities appropriate to a family rental development should be incorporated into the development.”

More from John Upton

- Affordable rental housing to replace Hugo Hotel
- Biotech hub missing out on tax revenue
- Pet Food Express wants to move into Laurel Heights
- Pot dispensary could cater to stoners in suits
- Gas station a casualty of subway

Topics

Hugo Hotel

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http://www.printthis.clickability.com/pt/cpt?action=cpt&title=Affordable+rental+housing+to+replace+Hugo+Hotel
Three days into his San Francisco visit last week, New Yorker architecture critic Paul Goldberger had ventured north beyond Market Street exactly once, to a nighttime event.

For the record, he did not feel deprived.

"I've actually enjoyed San Francisco more this visit than any since I was in college," Goldberger said. "It has a little bit more urban energy than I remember."

Adult visits date back to at least 1977 when, as a young critic at the New York Times, he had the temerity to call the Transamerica Pyramid "the most sensible new skyscraper in the city."

That's why it was fun to hear his impressions from a jaunt where, in the process of accompanying his wife to a convention, he could savor an aspect of San Francisco that too many locals ignore or resent: the extent to which the essence of a city is more potent than the architectural merit of one building or the next.

Goldberger has a passion for ballparks, so there were walks to AT&T Park, one of which led him to the thickly wooded crescent of South Park.

"I was walking down Third, I looked to the left and there it was," he said with wide eyes, not minding at all the jumble of building styles and design quality. "It is wonderful, my new favorite place ... that's what you want in a city, the sense of discovery."

His feelings about ballpark neighbor Mission Bay - "a textbook example of building by the textbook" - are less rapturous: As he told an audience Tuesday evening at the SPUR Urban Center, "the buildings act like we're expected to be grateful that they're built out to the street and they're not 50 stories."

Two days later, the Pulitzer Prize-winning critic's impressions were softened by his response to the liveliness of the scene in and around the redevelopment district: "What really excited me was how it's integrating into the urban fabric," he observed. "It has the quality of wanting to be a city, not a suburb, that's essential to San Francisco."

This goes for the larger set of changes south of Market Street, from the cultural treasures of Yerba Buena to the lines of multimedia workers grabbing lunch from alleyway take-out windows.

"There's this remarkable shifting of the center of gravity," Goldberger observed. "That's what I haven't sensed before, the collective weight."

What I treasure in Goldberger's work is that discernment. He has always been equitable - sometimes to a fault - sparing us the huff-and-puff condescension of critics who view cities as galleries in which only one style of art should be displayed. With this comes an appreciation for the fact that stylistic and cultural juxtaposition in itself is a virtue: Cities are works in progress, layered with the marks of memory and time.

The critic lays out his philosophy with thoughtful grace in "Why Architecture Matters," a book-length essay from last year that he discussed at the Urban Center. It's his way of prodding readers to "see architecture in terms of experience and feelings ... more than where a building fits into history or theory."

http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2010/06/22/DD1O1E16NA.DTL&type=printable
I particularly like the section on "Buildings and Time." Besides exploring the values and value of the preservation movement, Goldberger goes deeper to discuss the ever-shifting perspective we bring to buildings, even ones that look the same now as then.

As we spoke, he pointed from Howard Street toward two high-rises to the north: 525 Market St. and, a block closer, 100 First. The former is an 1960s thin-striped slab of institutional gray. The latter, a weird exercise in spiked pink modernism from 1988.

"That building (100 First) was designed for one purpose, to be an alternative to the one on the left," Goldberger said. "I don't think it will ever, ever, ever be a good building. But it's an intriguing relic of the moment."

This is the long view, and the smart view.

We can't freeze cities; transitions are part of the story.

This doesn't mean we should let today's mistakes off the hook. But if we're lucky enough to experience a city such as San Francisco on a daily basis, we should realize that it doesn't want to be observed under a microscope. It wants to engage us, and provoke us as well.

Place appears on Tuesdays. E-mail John King - who also recommends Paul Goldberger's "Building Up and Tearing Down: Reflections on the Age of Architecture," at jking@sfchronicle.com.

http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2010/06/22/DD101E16NA.DTL

This article appeared on page E - 1 of the San Francisco Chronicle
Leasing market rebound hangs on tech growth
SoMa submarket sees rents increasing for trendy space
San Francisco Business Times - by J.K. Dineen

Here is the good news: In one fell swoop, Deloitte is about to fill some 180,000 square feet at 555 Mission St., a deal that will fill up most of the remaining space in San Francisco newest office tower.

And the bad news: The deal is some 105,000 square feet less than the consulting giant currently occupies at 45 Fremont St.

The pending Deloitte deal in the blue-green glass highrise on San Francisco's hottest corridor perfectly illustrates the strength and weakness of the current leasing market. Big deals are getting done. Top tenants are striking while the rents are cheap. But the size of the deals often embody downsizing as financial institutions like Goldman Sachs and Bank of America shed workers and space.

Tech is king
As always in San Francisco, the fate of the city's job growth — and therefore the future of commercial real estate — rests securely in the hands of the technology sector. Tech equals growth right now. Social gaming company Zynga is looking for upwards of 200,000 square feet, more than double its current footprint, and is reportedly zeroing in on 650 Townsend St. That deal would eat up a major chunk of SoMa space that has been empty for years. Meanwhile, Dolby is looking for between 100,000 and 280,000 square feet, depending on whether it holds onto current space, which the company owns, or relocate altogether. Dolby is reportedly interested in 500 Terry François Blvd., an empty building in Mission Bay.

Jones Lang LaSalle is tracking 43 technology tenants seeking some 1.5 million square feet. Demand from the tech sector is starting to put an upward pressure on rents in SoMa, especially for airy, light-filled brick and beam buildings creative companies covet.

“Tech is king...
Out-of-towners

There are a total of 188 tenants over 50,000 square feet in the market right now with 4.7 million square feet of requirements, according to Colliers International. Of this group, 22 out-of-town tenants are seeking 450,000 square feet of space. With San Francisco rents 40 to 50 percent below the 2007 peak, the cost of doing business in the city is not much of a premium over suburban markets, although San Francisco does have a payroll tax.

"Clearly, tenants from out of town are giving San Francisco a strong look. Rents are cheap, so it’s really about human resources and where can I hire the best people. And that is where public transit and central location gives San Francisco the edge," said Boutwell.

There are now at least 15 tenants looking for over 100,000 square feet touring the market, including UC San Francisco, which is searching for some 500,000 square feet of medical office space in Mission Bay.

But even as rents start to push upward, San Francisco is probably several years away from seeing the next speculative office building, according to Colin Yasukochi, research director at Jones Lang LaSalle. Asking rents currently average about $35, and Yasukochi said $60 to $65 a square foot averages are needed to justify new construction. He said that construction costs have come down considerably, but that has been offset by the increased return on investment that lenders are looking for.

Still, if lenders remain a long way from underwriting new office construction, plenty of investors see a bargain in the city’s central business district. A flurry of buildings have traded hands in the past month with 333 Market St. selling for $333 million, 303 Second St. trading for $237 million and 351 California St. selling for $35 million. Mike Sarimsakci of Polidev International, who bought 351 California June 10 at an auction, said that at $250 a square foot the building was a bargain.

"You have good schools, a good labor force, a very innovative work force," he said. "I strongly believe (San Francisco) will recover faster than other cities in the U.S."

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Read his blog postings at Bay Area BizTalk.

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Transbay terminal construction to start in August
Hines still negotiating with rail authority over mixed-use tower

With designs approved for the new $4.2 billion Transbay Terminal, planners are getting ready to bulldoze the old facility.

Beginning in August, the 74-year-old Transbay Terminal, a bunker-like building at First and Mission streets, will be torn down. So will the bus ramps and other vestiges of the aging transit center — a process that will take about eight months.

The demolition will pave the way for construction on the first phase of the redevelopment project, which involves building a new, light-infused Transbay Terminal, a temporary bus terminal at Folsom and Main streets, a new bus ramp connected to the Bay Bridge and a tunnel connecting the Transbay Terminal to the current Caltrain terminus.

“We’re finally at the point where we can start construction,” said Maria Ayerdi-Kaplan, director of the Transbay Joint Powers Authority.

This first phase of the Transbay Terminal construction could be done by 2017.

Once completed, the new Transbay Transit Center is expected to serve 45 million passengers annually and house nine transportation systems, including the San Francisco Municipal Railway, AC Transit, Greyhound and even California’s high-speed rail.

The first phase of the job is expected to cost almost $1.6 billion. About 75 percent of that cost has been lined up and will come from a variety of sources, including local, state and federal funds.

The transit center project is part of a wider redevelopment proposal surrounding the transportation terminal, bounded roughly by Mission, Main, Folsom and Second streets. Plans call for nearly 2,600 new homes, 3 million square feet of new office and commercial space and 100,000 square feet of retail.

One of the most prominent elements of the redevelopment involves a possible 1,000-foot-office highrise built by Hines Group next to the transit terminal.

Hines continues to negotiate with the city over entitlements and has not yet paid the Transbay Joint Powers Authority.
Transbay terminal construction to start in August - San Francisco Business Times

Authority for the land where it would build the tower.

The second phase of the Transbay project involves burrowing a tunnel to link the current Caltrain terminus at Fourth and King streets to the Transbay Terminal. That is expected to cost about $2.6 billion.

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Nation of Islam threatens to hound Newsom

Now that Mayor Gavin Newsom has won the Democratic primary for lieutenant governor, it looks like he's going to have some unwanted company on the campaign trail.

Christopher Muhammad, head of the city's Nation of Islam branch, suggested he would reprise the group's guerrilla campaign tactics from Newsom's gubernatorial bid and harass the mayor over his support for a development project to remake the city's southeast waterfront.

During a hearing where two city commissions approved the project at Candlestick Point and the former Hunters Point Naval Shipyard last week, Muhammad alleged that "most of the people who run this town are political whores."

"I want to say to you Mayor Newsom, there will be a coalition of people following you up and down this state to remind you of your record," Muhammad said during a diatribe where he also warned of "toxic clouds pouring over" the city. "So if you stand on this, I hope that you'll be willing to pay the political price, because you're dealing with whores now."

Mohammad and his backers contend the project is kicking up toxic dust and sickening residents, even though local, state and a newly finalized EPA report have all said adequate safeguards are in place. Newsom, with the help of House Speaker Nancy Pelosi and others, has secured $714 million in federal funding to clean up the Superfund site. Mohammad's followers dogged Newsom on the campaign trail last year, loudly challenging him at town-hall events before he dropped out of the governor's race in October.

At a separate meeting about the Hunter Point project at the Bayview Opera House, Muhammad and his followers took on Keith Jackson, a member of the Hunters Point development team, who was so rattled that he filed a police report and got a temporary restraining order against them, as our colleagues Mader It Ross reported.

Newsom spokesman Tony Winnicker took Mohammad's latest outburst in stride.

"It's clearer than ever that Mr. Mohammad does not represent the residents of the Bayview," Winnicker said. "No one has done more than Mayor Newsom and Speaker Pelosi to clean up the Hunters Point shipyard."

The joint project with developer Lennar will create 10,000 jobs, 320 acres of parks, possibly a new football stadium and 10,500 housing units, with almost a third of them affordable, backers say. Lennar has agreed to spend $25 million for community benefits such as job training and placement.
"This project has huge benefits for the Bayview and the entire city," Winnicker said. "The facts speak for themselves."

Posted By: John Coté (Email) | June 13 2010 at 10:15 AM
Listed Under: Being green, If you build it, they will come, Protest of the day, The Road to Sacramento | Comments (10) : Post Comment

Minister Christopher Muhammad is absolutely correct. Lennar has paid off all local and state officials that are involved in this case. Want proof? look at how Senator Mark Leno agreed with Minister Muhammad, then all of a sudden turned back due to political pressure

http://www.youtube.com/watch?v=S53Gfw3OXIc

I think Boy Gavin might be paying these guys to do this. They have virtually no followers and their allegations border on the surreal.

Throughout this article there exist a serious inconsistency with the spelling of Minister Christopher Muhammad's last name. It is MUHAMMAD. Minister Christopher IS definitely a representative of members of BVHP & an even larger Nation of Islam. BVHP has a history of being divided about many issues, and no ONE person ever represents the community in its entirety. Whenever you are dealing with a community in poverty, there exist the opportunity to sway opinion & buy people. Many will sell out, and have sold out for money or jobs, despite the fact that the jobs are entry level and have a finite term. People need to eat, which sometimes causes them to make the wrong decision and go against their best interest. Gavin Newsom should be accountable, and I support the Minister's use of democracy. I grew up in BVHP & I know that the children & adults have been sick for generations, whether it be asthma, breast cancer, or unexplained infant mortality. We will not 'Go along to Get along'!

Sorry, you are all wrong, if Christopher Muhammad is Moslem he cannot be a Ministor or a Priest. He is an Imman or a Mullah, but he is no minister and doesn't represent the average American. He is also a convert who has a big foul mouth for a person professing to be religious. All of his rants, mean nothing to anyone that matters.

Sounds like another blow-hard to me. Nation of Islam can kiss my arse. It's a bunch of loosers recruiting uneducated and impoverished people, just like the KKK.

http://www.sfgate.com/cgi-bin/blogs/cityinsider/detail?entry_id=65251
San Francisco could save money if 49ers move south

By: John Upton
06/15/10 8:20 AM PDT

San Francisco could benefit financially if the 49ers relocate to Santa Clara.

City supervisors and economic development staff on Monday discussed the financial implications of holding a spot open in a shipyard redevelopment project for a 49ers stadium.

A football stadium was long heralded by city and private industry officials as an anchor in redevelopment plans centered at the shuttered Hunters Point Naval Shipyard.

But the football franchise has repeatedly snubbed the offer in favor of plans to build a stadium in Santa Clara.

Infrastructure development was planned to be accelerated for the shipyard stadium, but such haste would be unnecessary if alternative plans are pursued to instead build research space at the stadium site.

That could allow infrastructure to be laid more slowly at the waterfront stadium site, which could create financial savings.

Additionally, $100 million in redevelopment profits is being offered to help the 49ers build the shipyard stadium.

“It’s a little bit better financially in the nonstadium alternative,” Mayor Gavin Newsom’s senior economic development adviser Michael Cohen said during a Board of Supervisors Land Use and Economic Development Committee hearing Monday.

But plans to reserve the space for the stadium could prevent the savings from being immediately realized.

“I don’t believe that there is a big pot of money there because we’re holding on to that [stadium] alternative,” Cohen said.

Master developer Lennar Corp. has said that the stadium site will be set aside for the 49ers until 2017 at the latest.

No votes were cast regarding the shipyard redevelopment during Monday’s 2½-hour committee hearing, which served as a warm-up for hearings and votes that are scheduled during the coming weeks and months.

Monday’s committee hearing is scheduled to resume on July 12, according to committee chairwoman Sophie Maxwell.

More from John Upton

- Pot dispensary could cater to stoners in suits

Student-designed billboards encourage women to get mammograms

By: Erin Sherbert
Examiner Staff Writer
06/16/10 7:36 AM PDT

Ride along the Third Street rail line and you might notice that most of the billboards advertise products such as mobile phones, alcoholic beverages, cars and blockbuster movies. With a grant from AT&T and help from the SFGH Foundation and the Avon Breast Center, a community-based art contest brought students from local high schools who were asked to create graphic messages to help bring awareness to the importance of breast health care in the community, according to the San Francisco Department of Public Health. The results are big, bold and beautiful billboards reminding women to get mammograms and where they can get them for free.

More from Erin Sherbert

• Program helps high school students take step to college
• Business outreach revived to promote The City
• State sees steady job growth despite high unemployment rate
• Bay Area Council opens office in Shanghai
• Union kicked off bureau registry

Topics

Avon Breast Center, San Francisco Department of Public Health, SFGH Foundation

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http://www.printthis.clickability.com/pt/cpt?action=cpt&title=Student-designed+billboards+encourage+w... 6/21/2010
Visitation Valley residents can weigh in on Caltrain’s Bayshore Station

By: Will Reisman
Examiner Staff Writer
06/17/10 12:48 PM PDT

Residents in The City’s Visitacion Valley neighborhood will get a chance to weigh in on proposed improvements for Caltrain’s Bayshore Station.

On Saturday, the San Francisco County Transportation Authority (TA), a local planning body, will meet with area residents to discuss improvements to the Bayshore Station, including possible connection routes to Muni’s nearby stop along its T-Third line, bus rapid transit options on Geneva Avenue, and a feeder line to the Balboa Park BART station.

The public hearing will take place from 10 a.m. to noon at 66 Raymond Avenue in Visitacion Valley.

The Bayshore Station, located on 400 Tunnel Avenue in the Visitacion Valley neighborhood, is one of three Caltrain stops in San Francisco.
A new kind of billboard for the Bayview

New billboards featuring student artwork and information on free mammograms are interrupting the narrative of booze, cars and cell phones that dominate the outdoor advertising landscape along the relatively new Third Street rail line.

The idea is to get out a healthy message to residents of Bayview Hunters Point, one of San Francisco’s poorest and most unhealthy neighborhoods, city leaders said. The neighborhood has 39 percent of San Francisco’s industrial land, high incidences of asthma and the highest homicide rate. One study found that, on average, residents there can expect to live 14 years less than their counterparts on Russian Hill, according to the Department of Public Health.

The billboards, paid for by a $20,000 grant from AT&T, grew out of Assemblyman Tom Ammiano’s effort to get more healthy messages out to the community.

"The women of Bayview Hunters Point absorb many health burdens for their families," Ammiano said in a statement. "We wanted to do something to help these women manage their own health, and providing them with information about free mammograms seemed like a good place to start."

courtesy Department of Public Health

Local high school students contributed artwork.

Posted By: John Coté (Email) | June 18 2010 at 03:46 PM
Listed Under: Health programs | Comments (0) : Post Comment

http://www.sfgate.com/cgi-bin/blogs/cityinsider/detail?entry_id=66116
Millions approved to be spent on environmental technology campus

By: John Upton

06/20/10 4:35 PM PDT

More than $10 million was set aside to help convert an abandoned four-story Navy warehouse into a hotspot of environmental innovation.

The Navy’s Building 813 at the shuttered Hunters Point Naval Shipyard is planned to be overhauled and reused as an incubator for startup firms operating in the clean technology field.

The campus would be used by startup firms and by the Global Compact, which is a sustainability-focused joint venture between the United Nations and some of the world’s largest corporations.

The vacant 260,000 square-foot warehouse is currently in disrepair.

San Francisco Redevelopment Agency commissioners last week unanimously approved using $9.3 million in US Economic Development Administration grants and roughly $1 million of agency funds to overhaul the warehouse and reinvent it as an environmental technology hub.

The construction project, which could begin after the Navy hands ownership of the building over to the Redevelopment Agency next year, is expected to eventually require $35 million of funds.

The shipyard is planned to be redeveloped over the coming decades with new homes, shops, parks and substantial amounts of research and development space.

City leaders imagine the redeveloped shipyard serving as an environmental technology hub, just as the Mission Bay redevelopment area operates as a biotechnology hub.

Cleantech and greentech businesses, which develop clean energy and other environmentally beneficial technologies, have been growing rapidly in the Bay Area since the California Global Warming Act became law in 2005.

The greenhouse gas emissions-limiting law, also called AB 32, has led to heavy global investment in Californian clean technology companies, which are drawn to the Bay Area because of its concentration of technology-related companies and workers.

More from John Upton

- Pot dispensary could cater to stoners in suits
- Gas station a casualty of subway
- Millions approved to be spent on environmental technology campus
- Solar projects on hold following laborer spat
- Work resumes at Sunset Reservoir solar project

http://www.printthis.clickability.com/pt/cpt?action=cpt&title=Millions+approved+to+be+spent+on+envir...
Hope SF starts massive 6,000-unit buildout

Mix of public, affordable and market-rate units

San Francisco Business Times - by Sarah Thailing

Hope SF, the ambitious initiative to turn the city’s worst public housing projects into thriving mixed-income communities, is breaking new ground despite infrastructure and financing challenges. Over the next few decades, the city plans to tear down 2,500 units of public housing and replace them with 6,000 units that intersperse public housing with affordable and market-rate housing.

Already, the lead Hope SF project — Hunters View — has completed its initial demolition in the redevelopment’s first phase. After relocating residents to other apartments within the project, the developer has bulldozed the first 113 of 267 public housing units on a 22-acre site with sweeping San Francisco Bay views.

Slated to start in late summer or early fall is $14 million in new infrastructure construction, including new streets, sidewalks, streetlights, fire hydrants and sewer, water and gas lines. The $75.5 million first phase of 107 units — including 80 units of public housing and 27 units of new affordable housing — could be complete by early to mid-2012. If all the pieces fall into place, Hunters View will replace the existing run-down project with a 700- to 750-unit mixed-income community by 2015, with parks, playgrounds, a senior center and an expanded child care center.

“‘We’re creating a new neighborhood — a denser, vibrant, green neighborhood that is interconnected with the rest of the city,’” said Jack Gardner, president and CEO of the John Stewart Co., the lead developer of Hunters View along with partners Devine & Gong Inc. and Ridge Point Non-Profit Housing Corp.

Cut off from city

Housing projects like Hunters View were originally designed as postwar worker housing in the 1940s and 1950s, with little thought to how they fit into San Francisco’s long-term urban plan. Built on steep hillsides and ill-served by public transportation, they have been effectively cut off from the rest of the city for decades — physically, socially and economically.

“We want to address and reverse the physical isolation of Hunters View, reintegrating it with the social fabric of San Francisco as well as the physical fabric,” Gardner said. “It’s not just bricks and mortar that turn
Hope SF starts massive 6,000-unit buildout - San Francisco Business Times

people’s lives around — or even a job opportunity or two. It’s really a hand up to people, some of whom are multi-generational residents of public housing.”

A lot is riding on Hope SF and its initial Hunters View project. San Francisco Mayor Gavin Newsom has championed the program, a creative attempt to rebuild distressed public housing owned by the San Francisco Housing Authority in the face of dwindling funding from the U.S. Department of Housing and Urban Development. The goal: replacing all public housing units while creating a diverse, economically integrated community similar to many other San Francisco neighborhoods.

Although projects will vary, as a whole Hope SF will include 40 percent public housing, 40 percent market-rate housing and 20 percent affordable rental and for-sale housing, according to Douglas Shoemaker, the director of the San Francisco Mayor’s Office of Housing.

“Hope SF may be one of the most important legacies of my time as mayor because it brings together the three core issues that we’ve focused on over the last six years: economic opportunity, environmental justice, and quality of life in our neighborhoods,” Newsom said in a statement.

**Big vision for tough times**

Hope SF is being touted as a national model for future public housing revitalization projects. It’s a big vision at any time — and especially now. Add in the collapse of the financial markets, a painfully slow-growth recovery from the recession, a cash-strapped state and a virtual standstill in the development of market-rate housing, and Hope SF’s goals seem difficult to achieve.

The Hunters View timeline was delayed when a $30 million infill grant from the state was frozen last year. The grant has once again become available, but the developer is still waiting for the funds — which will cover the infrastructure costs — to be released. Building on steep hillsides is proving costly and logistically challenging, and the developer needs a final agreement from the Department of Public Works, which Gardner expects to get within two months.

Beyond that, the development team likely will partner with others to develop the market-rate housing. While the initial strategy called for condo sales to “cross-subsidize” and support the overall Hunters View project, the economy put the brakes on that plan. While financing is becoming more available, the terms don’t look as favorable as they once did.

The good news for Hope SF developers? Infrastructure costs may come in lower than projected as subcontractors bid aggressively to get their crews on the job. At the same time, the Obama administration is pushing for $250 million for its “Choice Neighborhoods” program. If approved by Congress, the legislation would fund grants to transform public housing. Whether any Hope SF projects would qualify remains to be seen.

Market-rate housing development is in limbo for now, but the timing may actually benefit some Hope SF developers, who are working to get their projects’ entitlements while the real estate market recovers.

The market is stabilizing, said Michael Johnson, president and CEO of Em Johnson Interest, which plans to redevelop Westside Courts with TMG Partners in the Western Addition, now home to 136 public housing units.

“Hope SF is special because it is a local government initiative that leverages our ability as private developers to build market-rate housing that subsidizes the redevelopment of affordable public housing,” Johnson said.

While it’s too early to predict pricing for the market-rate units, Hope SF’s market-rate housing could go for
as little as $450,000, according to Shoemaker. “While these prices are not necessarily affordable by a HUD definition, they are the closest thing that we get in San Francisco to somebody building entry-level homes,” he said.

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Now or never for Hunters Point: Supes must OK it

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It's easy to see why opponents of the Hunters Point Shipyard development might argue that the proposed project — all 10,500 homes and 3.6 million square feet of it — requires “more study.”

After all, the former military base has been closed and moldering for only 16 years. The project has only gotten approval from, among others, San Francisco’s Public Utilities Commission; its public health department; the Municipal Transportation Agency; the city’s redevelopment commission; most recently, its planning commission; and — last but not least — San Francisco voters themselves. Only $700 million has been committed to cleaning up a century’s legacy of industrial operations on the environment. Clearly there’s a need for additional fact-finding.

OK, we’ll drop the sarcasm and just say it outright: The last thing Hunters Point Shipyard project needs is more study. What it needs is action — action that will hasten and ensure the massive benefits this project promises.

Whether it will be allowed to do so — ever — remains disturbingly uncertain. Buoyed by the razor-thin, 4-3 margin at the planning commission this month, progressives have mounted a last-gasp effort to derail the enterprise when it comes before the San Francisco Board of Supervisors next month. Technically, all that’s going to be at issue is the project’s Environmental Impact Report, but neither supporters nor opponents are fooled: All know that survival of the entire project is at stake.

It’s probably no understatement to say that supervisors have made no more important land-use decision in the last decade — or are unlikely to in the next one.

This project is that important, and on the face of it, there are few solid grounds for opposing it. The city negotiated a sweetheart, boom-time deal with Lennar, and voters approved it in 2008. Of the 10,500 homes, 32 percent — more than 3,000 — will be affordable. The cost to taxpayers for providing this mass of affordable housing: $0.00. Lennar will prepare the land and give it to affordable housing developers, throwing in “gap financing” of about $70,000 per unit. The affordable units will average 2.5 bedrooms, meaning they are housing for families. And the city’s agreement requires the affordable housing to be developed in rough tandem with the market-rate units, or Lennar has to pay fines. There’s more: millions in developer-paid transportation benefits and a community housing fund to assist those who might need help staying in the neighborhood.

In the face of these advantages, opponents are forced to attack it at the margins: that the fully funded environmental cleanup that precedes it might be insufficient (a matter that the city and the Navy have under control). That the developer is going to make a ton of money on the market-rate housing (which is to be hoped; it’s how everything else gets paid for). That a deficit-wracked city should by some indeterminate means generate the hundreds of millions of dollars to develop this quantity of affordable housing itself, rather than getting in bed with a developer. That a 900-foot bridge, key to transit and access, might deter a
few not-particularly-rare birds from nesting in that exact spot.

This fight is part of the jockeying among progressives hoping to take over should Mayor Gavin Newsom leave office early. Leave aside that it seems a strange bastardization of “progressive” to so describe those who would block 3,000 units of affordable housing in San Francisco’s poorest neighborhood.

San Francisco supervisors have the chance to show they can rise above petty, self-interested politics to do the right thing. But they have to take it.

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Hunters Point proposal faces tough vote ahead
Lennar touts plan's job and revenue benefits for city
San Francisco Business Times - by J.K. Dineen

Lennar Urban’s plan to redevelop Hunters Point Shipyard is shaping up to be an entitlement battle for the ages.

The second phase of the project — which includes 10,500 new homes, 3.6 million square feet of commercial space, an artists’ colony and potentially an NFL stadium — passed a significant hurdle in early June when the Planning Commission and the Redevelopment Agency approved the environmental impact report. While this was a victory for Lennar and Mayor Gavin Newsom, the Planning Commission vote was a narrow 4 to 3, with the more progressive faction of the commission voting against it.

What’s more, the EIR still faces its most difficult test: the Board of Supervisors. The supervisors will likely endorse or reject the shipyard EIR this summer, and the slim Lennar win at the Planning Commission may portend trouble for the development, according to observers. The three commissioners who voted against the plan were all appointees of the progressive-majority Board of Supervisors.

“I am not confident on six votes,” said Housing Action Coalition President Tim Colen, who is a supporter. “The (4-3) Planning Commission vote was way too close. I think there is a feeling of let’s just stick it to Lennar. There is a feeling that the economy is tough and Lennar is having problems and now would be a good time to kick them.”

Coalition building
Lennar Executive Vice President Kofi Bonner is counting on support from labor, housing advocates and current Hunters Point and Bayview residents. Of the 130 speakers at the Planning Commission meeting, some 93 spoke in favor of the project. Many of those were residents of the dilapidated and crime-plagued Alice Griffith housing development, which would be rebuilt and expanded into a mixed-income project under the Lennar plan.

“People say you guys have bought (the residents) all off. Well, you don’t buy them off. They just are looking for an opportunity to get better homes. Because these homes, believe it or not, look better on the outside
than they do on the inside,” said Bonner.

Perhaps the most vocal groups against the project are environmentalists who oppose the plan to build a 900-foot bridge across the Yosemite Slough. Other groups argue that despite the $700 million spent on cleaning up the old shipyard, the site will still have dangerous levels of buried fuels, heavy metals, and PCBs.

**More study?**

Critics argue that a more rigorous study of the clean up should be done before the supervisors signs off on it.

But San Francisco Director of Economic Development Michael Cohen said no more studies are needed.

“There is an old saying that the best way to kill a project in San Francisco is to ask to have it studied more,” said Cohen. “In the intensive time we have had public debate about this project, very few people criticized the project itself. The affordable housing is so robust. The parks are so good. The jobs programs are so good. Folks who oppose it oppose it on the basis of process, process, process. And after a decade of community-based planning, we think the time is now to move forward.”

The Lennar vote could also strain the always tenuous coalition between the building trade unions and the progressive faction of the Board of Supervisors.

“For the first time in a while labor is getting vocally edgy,” said political analyst David Latterman of Fall Line Analytics. “The trades unions are pissed, and they have not jumped behind the progressive supes as they have in the past.”

**Labor pushes for jobs**

Building Trades Council President Mike Theriault said unemployment remains in the 30 to 40 percent range for many of the trades. “Where are the tower cranes? I know of three: one of them is a church job, one is a public job, and one is not moving, but just sits there because the guy who owns it (developer Joe Cassidy) needs some place to keep it,” said Theriault.

For labor, the Lennar vote is the single most important decision before the Board of Supervisors in years, he added.

“I think the shipyard is going to be a push,” said Theriault. “The Supervisors have to ask themselves a very serious question which is, if they vote no, what happens in the Bayview the next day and the next year.”

Board of Supervisors President David Chiu, who many see as the key vote on the shipyard, declined to say whether he will vote to approve the EIR.

“I am taking meetings on that and reviewing the thousands of pages of draft EIR,” said Chiu. “There is significant consensus that we need to clean up and rebuild the southeast sector in a way that will dramatically increase housing and affordable housing. There are obviously still discussions around the details and whether (the proposal) goes far enough in several different areas.”

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