

RESOLUTION NO. 8-2009

Adopted January 6, 2009

AUTHORIZING A PERSONAL SERVICES CONTRACT WITH LEVY DESIGN PARTNERS, INC., A CALIFORNIA CORPORATION, IN AN AMOUNT NOT TO EXCEED \$100,000 TO PROVIDE ARCHITECTURAL AND ENGINEERING SERVICES FOR THE REPAIR OF BUILDING 101 ON THE HUNTERS POINT SHIPYARD, FOR A ONE-YEAR TERM, WITH ONE, ONE-YEAR OPTION TO EXTEND; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. Building 101 is located on Parcel A of the Hunters Point Shipyard ("Shipyard"). The 106,000 square-foot, two-story wood-framed building was constructed in 1946 and originally housed the United States Department of the Navy's administrative offices. Since the mid 1980's, artists have occupied studios in various buildings on the Shipyard.
2. Building 101 is the largest artist building and is regarded as the hub of the artists' colony. Of the nearly 300 artists working on the Shipyard, 141 of them rent studios within Building 101. Building 101 studios are rented through a sublease agreement with the artists' community to Patterns Limited, Inc. ("The Point") acting as property manager, and Lennar - BVHP, LLC ("Lennar"). Lennar manages the leases of various buildings on the Shipyard, including Building 101, on behalf of the Redevelopment Agency of the City and County of San Francisco ("Agency") in accordance with the Interim Lease that was adopted in December 2003 and amended in August 2008.
3. The Hunters Point Shipyard Redevelopment Plan ("Plan"), approved in 1997, calls for support of the existing businesses and artists on the Shipyard. The Plan's Statement of General Principles, states that "future development should maintain the large community of artists and artisans on the Shipyard, providing for their need for flexible low-cost space, while accommodating the full diversity of arts and culture in the South Bayshore community."
4. In May 2007, the Agency Commission approved the Conceptual Framework for Development ("Framework") between the Agency and HPS Development Co., L.P. and CP Development Co., L.P., as successors to Lennar and Lennar Communities, Inc. (collectively, the "Developer"). The Framework establishes the goals and principles that guide the integrated development plan for the Shipyard and Candlestick Point. The Framework includes a provision for permanent affordable space for the existing artists at the Shipyard to be phased in a way that prevents displacement. In June 2008, San Francisco voters supported Proposition G, which stated that permanent affordable replacement space for the

artists would be provided by the Phase 2 development of the Shipyard. An essential component in ensuring affordable replacement space for the artists is the preservation and rehabilitation of Building 101.

5. Agency staff engaged in a competitive negotiation process and solicited bids, pursuant to EDA requirements, from five architecture firms, including three Agency Small Business Enterprises (SBE). All firms were asked to submit qualifications based on a scope of services, key staff and staff resumes, relevant project experience, client references, fee schedule, and proposed subcontractors. The proposals were evaluated by Agency staff on the basis of their technical abilities in building rehabilitation and upgrades, coordination among multiple stakeholders, experience designing for occupied buildings, ability to work within a shortened timeframe, fees, professional experience, design quality, and project understanding.
6. After evaluating the proposals based on the above criteria, Agency staff concluded that Levy Design Partners, Inc. ("Levy") was the best applicant to carry out the tasks within the project timeframe. Agency Contract Compliance staff assisted in developing the personal services contract ("Contract") and was involved in the selection process to ensure the Agency's Equal Opportunity Program goals are being met.
7. Levy is a woman-owned business and an Agency certified SBE based in San Francisco, and has demonstrated a wide breadth of experience. Levy has worked with the San Francisco Unified School District to modernize and renovate several existing buildings, while keeping them operational. This is a key component of the repair to Building 101, as the project should minimize disruption to artists with studios in the building. Levy maintains an as-needed contract with the San Francisco Housing Authority and is familiar with operating on a strict schedule and budget. Furthermore, Levy worked collaboratively with the Bayview Hunters Point ("BVHP") and Visitacion Valley communities, local artists, and the San Francisco Arts Commission to design the San Francisco Municipal Transportation Agency's Third Street Light Rail platforms. Agency staff believes that Levy has the necessary skills and experience to facilitate productive workshops with the Building 101 artists and the Hunters Point Shipyard Citizens Advisory Committee ("CAC").
8. A draft scope of services was reviewed by the CAC's Planning and Development subcommittee on November 13, 2008 and was also provided to the artists and The Point, and they are in support of this project. Levy will work with both the CAC and the existing Building 101 artists in the development of plans for the repair of Building 101.
9. Funds spent on Building 101 will provide a visible and meaningful demonstration of the Agency's commitment to tying the future Shipyard to its history. In the near term, the building is in need of a variety of minor interior and exterior

improvements including, removal and installation of new flooring, interior and exterior painting, upgrade of interior and exterior fixtures, and minor architectural and accessibility upgrades per the Americans with Disabilities Act. In the longer term, the building will require additional upgrades to fully comply with current building codes. The Contract with Levy will identify the full scope of near- and long-term improvements which are required for the building and prioritize those improvements which may be funded by the EDA grant. Construction drawings for improvements to be completed as a part of the Phase 2 development will be prepared in the second stage of this work. Near-term improvements will be selected and designed so as to ensure that they will not be damaged or removed in long-term improvements.

10. In 2004, the Agency was awarded a grant for \$2,134,000 from the U.S. Department of Commerce, Economic Development Administration (“EDA”). EDA was established under the Public Works and Economic Development Act of 1965 (42 U.S.C. § 3121), as amended, to generate jobs, help retain existing jobs, and stimulate industrial and commercial growth in economically distressed areas of the United States. The purpose of the grant funds is to facilitate the assessment, design, remediation, and basic improvements to Building 101.
11. Design, remediation, and construction of near-term improvements will be paid for with grant funds from EDA. Building 101 is a critical component in the Agency’s strategy to restore the Shipyard’s role in supporting the economic vitality of BVHP. Building 101 will help to define a future arts district (“Arts District”) for the Shipyard which seeks to attract cultural visitors to the Shipyard and to directly engage BVHP residents and businesses in the production, sale, and promotion of art. Building 101 will serve as a landmark hub for the Arts District and help to distinguish residential and commercial development in the Phase 2 development.
12. The EDA grant to be used for Building 101 must be spent no later than August 15, 2009, and extensions are not permitted. Using EDA funds to provide tangible and meaningful benefits to the Shipyard within this tight timeframe is important in demonstrating the Agency’s capacity to manage existing and future EDA grant funds. Agency staff is working to ensure that the EDA funds are expended using an expeditious and inclusive process that meets the needs of present and future Shipyard stakeholders.
13. The Contract with Levy is statutorily exempt from the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines Section 15262. The services completed under the Contract are planning and feasibility studies leading to the rehabilitation of Building 101 and would not independently cause any significant physical change in the environment.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to execute a personal services contract with Levy Design Partners, Inc., a California corporation, in an amount not to exceed \$100,000 to provide architectural and engineering services for the rehabilitation of Building 101 on the Hunters Point Shipyard for a term of one year with one, one-year option to extend, substantially in the form lodged with the Agency General Counsel.

APPROVED AS TO FORM:



for. James B. Morales 12/29/08
Agency General Counsel