

**RESOLUTION NO. 7-2014**  
**Adopted February 18, 2014**

**AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH OVERLAND, PACIFIC AND CUTLER INC , A CALIFORNIA CORPORATION, TO EXTEND THE CONTRACT TERM BY SIX MONTHS FOR A PERIOD ENDING ON AUGUST 15, 2014 AND TO PROVIDE CONTINUED TENANT RELOCATION SERVICES AT THE HUNTERS POINT SHIPYARD IN COMPLIANCE WITH THE DISPOSITION AND DEVELOPMENT AGREEMENT FOR CANDLESTICK POINT AND PHASE 2 OF THE HUNTERS POINT SHIPYARD; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA**

WHEREAS, The San Francisco Board of Supervisors adopted the Hunters Point Shipyard (the “Shipyard”) Redevelopment Plan in 1997 and amended it in 2010 to provide for the integrated planning and development of the Shipyard and the Candlestick. These lands will be developed and transformed into productive areas for jobs, parks, and housing, including affordable housing. The Shipyard will be implemented in two phases (under separate but related Phase 1 and 2 disposition and development agreements, the “Phase 1 DDA” and the “Phase 2 DDA” between OCII and HPS Development Co., LP and CP Development Co., LP, respectively, (“Developer”) and will deliver over 12,000 new homes, approximately 32 percent of which will be below market rate and will include the rebuilding of the Alice Griffith public housing development consistent with the City’s HOPE SF program, more than 350 acres of new parks, up to 3 million square feet of research and development space, and an Arts and Technology District; and,

WHEREAS, The California Department of Finance (“DOF”) has finally and conclusively determined that the Phase 1 DDA and the Phase 2 DDA are enforceable obligations under Redevelopment Dissolution Law, Section 34177.5 (i) of the California Health and Safety Code. Letter, S. Szalay, Local Government Consultant, DOF, to T. Bohee, Executive Director, OCII (Dec. 14, 2012); and,

WHEREAS, Since the mid 1980’s artists have occupied studios in various buildings on the Shipyard, creating the largest artist enclave on the western seaboard. Through decades of planning efforts related to the Shipyard, the need to maintain the role of the artists in the future of the Shipyard has become a clear mandate from a variety of local, state and federal stakeholders; and,

WHEREAS, The Shipyard Redevelopment Plan contains the Hunters Point Shipyard’s Citizen Advisory Committee’s (“CAC”) Planning Guidelines – Statement of General Principles which state in part:

“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”; and,

WHEREAS, In May 2007, the Mayor, the San Francisco Board of Supervisors, the Redevelopment Commission, and the two community-based advisory organizations, the CAC and the Bayview Hunters Point Project Area Committee, endorsed a "Conceptual Framework" for the integrated redevelopment of the Hunters Point Shipyard (under the Shipyard Redevelopment Plan which was adopted 1997 and amended in 2010) and Candlestick Point (under the Bayview Hunters Point Redevelopment Plan adopted in 2006 and amended in 2010). In section II, Goals for the Development of the Project, the Conceptual Framework calls for the creation of permanent affordable artist space at the Shipyard; and,

WHEREAS, In June 2008, San Francisco voters overwhelmingly approved Proposition G, the Bayview Jobs, Parks and Housing Initiative which set forth guiding principles, a development program, and a plan for the integrated development of the two sites, also requiring permanent space for the existing artists; and,

WHEREAS, Through this process, the project has changed from simply accommodating artist studio space in the new development to integrating arts and artists as a defining characteristic in an envisioned Arts & Technology District on the Shipyard (“Arts District”). The Arts District is envisioned to be the creative center of the Shipyard, with galleries, retail, and other arts-related uses in the mixed-use center known in the Phase 2 Design for Development as the Shipyard Village Center that was approved in 2010 as part of the entitlements for the integrated development of the Shipyard; and,

WHEREAS, The Phase 2 DDA includes a Community Benefits Plan (Exhibit G) that requires the Developer to construct, at no cost to OCII, a new permanent artist studio space (“New Shipyard Artist Studios”) and further provides existing artists who are displaced because of the new development on the Shipyard with the right (but does not impose an obligation) to move to New Shipyard Artist Studios at the Shipyard. Further, relocated tenants (who move on-site or off-site) may be eligible for relocation benefits under applicable federal, state and local laws; and,

WHEREAS, In furtherance of OCII’s relocation obligation and in compliance with the Phase 2 DDA, the former San Francisco Redevelopment Agency Commission approved, by Resolution No. 12-2011 (February 15, 2011), a contract with Overland, Pacific & Cutler (“OPC”), to provide tenant relocation services and implement a relocation program for tenants requiring relocation at the Hunters Point Shipyard; and,

WHEREAS, To date, OPC has completed the assessment of existing conditions of Parcel B artists’ buildings and has interviewed artists to understand their relocation

needs and special requirements. Additionally, OPC's sub-consultants, Northern California Community Loan Fund ("NCCLF") and Ventura Partners have been conducting artist studio rent surveys and financial evaluations of building operating cost to recommend a minimum rental rate for the New Shipyard Artist Studios that will be occupied by displaced artists. Other tasks like coordinating with the Developer's design team, advising artists about the extent of individual eligibility benefits and information on the claims process, and preparing the relocation plan, are also still ongoing; and,

WHEREAS, The Contract budget has a remaining balance of approximately \$76,667. No additional funds are needed at this time, but the parties wish to extend the Contract by one year to ensure that the outstanding scope of work can be completed; and,

WHEREAS, Expenditures under this Contract are reimbursable under the Phase 2 DDA and are subject to approval under OCII's Recognized Obligations Payment Schedule; and,

WHEREAS, A copy of a first amendment to the Contract (the "First Amendment") is on file with the Secretary of this Commission; and,

WHEREAS, The First Amendment is in compliance with the Phase 2 DDA, an enforceable obligation under Redevelopment Dissolution Law; and,

WHEREAS, Authorization of the First Amendment is an OCII administrative activity that would not have any direct physical effect on the environment and is not a "Project" as defined in CEQA Guidelines Section 15378(b)(5); now, therefore, be it

RESOLVED, That this Commission approves and authorizes the Executive Director to execute the First Amendment, substantially in the form on file with the Secretary of this Commission, to extend the term of the Contract by six month, for a period ending on August 15, 2014.

I hereby certify that the foregoing resolution was adopted by the Commission on Community Investment and Infrastructure at its meeting of February 18, 2014.

  
Commission Secretary