

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 4-2017

Adopted February 7, 2017

ENDORING THE LEGACY FOUNDATION FOR BAYVIEW HUNTERS POINT'S FIVE-YEAR STRATEGIC PLAN PROGRAMMING \$1,500,000 TO INVEST IN THE BAYVIEW HUNTERS POINT COMMUNITY FOR NEIGHBORHOOD BUILDING, EDUCATION AND WORKFORCE, AND HOMEOWNERSHIP DOWN PAYMENT ASSISTANCE; HUNTERS POINT SHIPYARD AND BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREAS

WHEREAS, Attachment 23 to the 2003 Disposition and Development Agreement Hunters Point Shipyard-Phase 1 ("Phase 1 DDA") between the former San Francisco Redevelopment Agency ("Agency"), now, the Office of Community Investment and Infrastructure ("OCII") and HPS Development Co., LP ("Phase 1 Developer"), provides for the formation of a BVHP Representative Entity, also called quasi-public entity("QPE") to advise the Agency on the use of Phase 1 Developer contributions (the "Phase 1 Fund") allocated for community benefits for the Hunters Point Shipyard and the greater Bayview Hunters Point ("BVHP"); and,

WHEREAS, The Phase 1 DDA provided that the QPE (later called the Legacy Foundation for Bayview Hunters Point) would be formed according to the following principles: (a) the governing body will have meaningful community representation with members recruited and selected through an open and fair public process; (b) as a quasi-public body, the BVHP Representative Entity will operate in conformance with all applicable laws and regulations governing conflicts of interest and open public meetings; (c) the BVHP Representative Entity will be charged with making recommendations that ensure the BVHP Area and not just a few individuals benefit from the use of the Agency's net land sale proceeds; (d) transparency and public accountability will necessarily guide all operations and actions of the BVHP Representative Entity; (e) use of funds will focus on building the capacity of existing community-based entities wherever possible; and (f) use of funds will be geared towards leveraging additional outside sources of funds to the maximum. Attachment 23 to Phase 1 DDA, § 2.2; and,

WHEREAS, The Fifth Amendment to the Phase 1 DDA established a "Community Benefits Fund Advance" under which the Developer contributed \$1,000,000; and additional contributions to the Phase 1 Fund may occur after proceeds from land sales repay defined development costs. However, no additional contributions to the Phase 1 Fund are anticipated at this time; and,

WHEREAS, The Phase 1 DDA also created Community Facilities Parcels and the purpose of the Phase 1 Community Facilities Parcels is to provide, preserve and leverage local resources such as social services, education services, and other community services as determined by OCII in collaboration with the Mayor's Hunters Point Shipyard Citizen's Advisory Committee ("CAC") and the QPE; and,

WHEREAS, The 2010 Candlestick Point and Hunters Point Shipyard Phase 2 Disposition and Development Agreement (“Phase 2 DDA”) between the Agency, now OCII, and CP Development Co., LP (“Phase 2 Developer”) carried forward the Community Benefits Plan and created a Community Benefits Fund (“Phase 2 Fund”) that OCII must establish and maintain as a separate account and reinvested in BVHP to (a) benefit low- and moderate-income families; (b) eliminate blight; and/or (c) meet other community development needs of BVHP as determined by the QPE, including those related to social services, affordable housing, education, the arts, public safety, assistance for senior citizens and other community services. Such reinvestment shall be made by the Agency following consultation as applicable with the CAC and the QPE and shall be subject to approval by the Commission as a part of each of its community benefits budgets. Exhibit G to Phase 2 DDA, § 6.1; and,

WHEREAS, The Phase 2 Fund is funded by payments from each Vertical Developer of an amount equal to one-half of one percent (0.5%) of the sales price for each market rate unit, and the Phase 2 development program calls for the development of 7,155 market rate units over the next 15 to 20 years. The remaining 3,345 housing units called for under the development program will be provided at below-market rates. The first market-rate home sales in Phase 2 are anticipated to occur in 2020; and,

WHEREAS, Since 2004, OCII has worked with the Mayor’s Hunters Point Shipyard Citizens Advisory Committee (“CAC”) to assist in the establishment of the QPE. Initially, the Agency approved a contract with Urban Strategies Council to provide technical assistance to the CAC in establishing a QPE and a plan for use of funds. Agency Resolution No. 117-2005 (July 19, 2005). Subsequently, the contract was amended several times. In 2007, after extensive community meetings and CAC approval, the Agency endorsed the Shipyard Legacy Fund Report, Agency Resolution No. 110-2007 (Oct. 2, 2007). In 2011, the Agency Commission received a status report on the formation of the QPE and endorsed a plan of action for the start-up period, Agency Resolution No. 108-2011 (Nov. 15, 2011); and,

WHEREAS, The quasi-public entity, called the Legacy Foundation for Bayview Hunters Point (hereinafter referred to as the “Legacy Foundation”), in cooperation with the CAC and with OCII’s assistance, is responsible for overseeing the disbursement of the Developer’s Phase 1 and Phase 2 contributions to the Community Benefit Fund. The Community Benefits Fund contains \$1,500,000 to be programmed by OCII upon advisement from the Legacy Foundation and the CAC to benefit the Bayview Hunters Point neighborhood; and,

WHEREAS The Legacy Foundation’s fundamental mission is to alleviate the impact of poverty in San Francisco’s BVHP community. The Legacy Foundation’s main purpose is to ensure that a designated portion of net proceeds from the Hunters Point Shipyard development will be used and invested for the benefit of the BVHP community. The entity is charged with making recommendations that guarantee the BVHP area benefits from the funds which are intended to be used to: (a) benefit low-and moderate income families, (b) eliminate blight, or (c) meet other urgent community development needs of the BVHP area; and,

WHEREAS, The Legacy Foundation has completed both an extensive two-year community engagement process to assess community needs and define investment areas; and a

five-year strategic plan approach to implement the recommended programs designed to address the needs of the community; and,

WHEREAS, In 2014, after the first Major Phase Approval of the Phase 2 Project, the Developer contributed \$500,000 for the Lennar Bayview Scholarship Fund, as required under the Phase 2 DDA. The Phase 2 DDA requires that these funds and additional funds shall be deposited in the Community Benefits Fund. Contributions are based on housing development milestones (\$300,000 per 1,000 Unit Credits). The OCII Commission approved the first Major Phase for Candlestick Point in January 2014, and the Phase 2 Developer has accordingly provided \$500,000 in funding for the Lennar Bayview Scholarship Fund.; and,

WHEREAS, In pursuing its mission and strategies, the Legacy Foundation, through its Five-Year Strategic Plan, has identified three areas of priority in response to community needs: (1) community and neighborhood building, (2) improving education and employment opportunities, and (3) expanding homeownership opportunities; and,

WHEREAS, In response to various social and economic challenges facing BVHP the Legacy Foundation supports investing in neighborhood and community building events that will bring together community members and stakeholders, as well as recognize community leaders and advocates. The Legacy Foundation will pursue this through two Neighborhood Building Strategies: 1) community dialogue summits and 2) recognition awards for community leaders; and,

WHEREAS, The Legacy Foundation has determined that strengthening young people's academic achievements and skills will increase employability, a critical building block to eradicating poverty in BVHP. The Legacy Foundation has committed to providing resources to this priority on a multi-year basis through the following program strategies: 1) College Readiness & Career Skill Building Grants, 2) Tuition Assistance Scholarships, 3) Travel Scholarships to Asia and Africa, and 4) Contractor Assistance Program; and,

WHEREAS, The Legacy Foundation has determined that successful homeownership is critical not only to the long-term prosperity of homeowners but also to the BVHP community itself. The housing and financial crises of the last several years have highlighted the need for promoting and supporting successful homeownership. The Legacy Foundation Down Payment Assistance Fund will provide down payment assistance in the form of equity contributions that support residents who meet the eligibility criteria and who are committed to purchasing and living in a home in BVHP; and,

WHEREAS, Commission approval of the Strategic Plan is statutorily exempt from the California Environmental Quality Act ("CEQA"), pursuant to CEQA Guideline Section 15262 since the Strategic Plan is a planning and feasibility study for future actions not yet approved by OCII; and,

WHEREAS, Upon authorization from the OCII Commission, OCII staff will, in furtherance of the Legacy Foundation's Five-Year Strategic Plan, comply with the OCII Purchasing Policy, to seek out qualified organizations to administer programs and funds described in the Strategic Plan.

RESOLVED, That the Commission approves of the recommendations and allocations provided in the Legacy Foundation's Five-Year Strategic Plan, attached to the Commission Memorandum accompanying this Resolution, and directs the OCII Executive Director and staff to implement the Legacy Foundation's Five-Year Strategic Plan consistent with OCII's Purchasing Policy.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of February 7, 2017.


Interim Commission Secretary