

**COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE**

**RESOLUTION NO. 38-2017**

*Adopted October 17, 2017*

**SELECTING BRIDGE HOUSING CORPORATION AND COMMUNITY HOUSING PARTNERSHIP FOR THE DEVELOPMENT OF 141 AFFORDABLE RENTAL HOUSING UNITS (INCLUDING ONE MANAGER'S UNIT) WITH SUPPORTIVE SERVICES FOR FORMERLY HOMELESS PERSONS AT MISSION BAY SOUTH BLOCK 9; MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA**

WHEREAS, In furtherance of the objectives of the California Community Redevelopment Law (Health and Safety Code, section 33000 *et seq.* the “CRL”), the Redevelopment Agency of the City and County of San Francisco (the “Former Agency”) undertook programs for the reconstruction and construction of blighted areas in the City and County of San Francisco (“City”); and,

WHEREAS, In accordance with the CRL, the City, acting through its Board of Supervisors, approved a Redevelopment Plan for the Mission Bay South Redevelopment Project Area (the “Project Area”) by Ordinance No. 335-98 adopted on November 2, 1998. The Redevelopment Plan is referred to as the “Mission Bay South Redevelopment Plan.” In cooperation with the City, the Agency was responsible for implementing the Mission Bay South Redevelopment Plan; and,

WHEREAS, The Mission Bay South Redevelopment Plan provides for the redevelopment, construction and revitalization of the area generally bounded by the China Basin Channel, Seventh and Mariposa Streets, and the San Francisco Bay and containing approximately 238 acres of land. The Mission Bay South Redevelopment Plan anticipates and describes a mixed-use development comprised of public open space, retail, commercial, entertainment uses, and parking and loading uses; and,

WHEREAS, The Mission Bay South Owner Participation Agreement (the “OPA”) between the Agency and FOCIL-MB, LLC (the “Master Developer”) provides that the Master Developer will contribute land to the former Agency, at no cost, for the development of affordable housing and the Agency will oversee the development of up to one thousand one hundred eight (1,108) affordable housing units in the Project Area; and,

WHEREAS, Pursuant to California Health and Safety Code §§ 34170 *et seq.*, the Former Agency was dissolved as of February 1, 2012; and,

WHEREAS, On February 10, 2004, the Former Agency approved, by Resolution No 25-2004, the Major Phase for Blocks 8, 9, 9a, 10, 10a and Parks P18, P19, and P20 that included Mission Bay South Block 9 as an affordable housing site; and,

WHEREAS, 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) (the “Successor Agency” or “OCII”) is completing the enforceable

obligations of the Former Agency in the Project Area, under the authority of the CRL as amended by the Redevelopment Dissolution Law, and under San Francisco Ordinance No. 215-12 (October 4, 2012) (establishing the Successor Agency Commission (“Commission”) and delegating to the Commission the state authority under the Redevelopment Dissolution Law); and,

WHEREAS, On January 24, 2014, the California Department of Finance (“DOF”) determined “finally and conclusively” that the OPA, including its affordable housing obligations and tax allocation pledge agreement is an enforceable obligation under the Dissolution Law; and,

WHEREAS, At the Commission’s public hearing on April 4, 2017, the OCII Executive Director and Staff presented a Housing Development Request for Proposals (the “RFP”) to develop and operate affordable rental housing units with supportive services for formerly homeless persons on Mission Bay South Block 9 (“MBS 9”). After review and discussion of the RFP, the Commission did not object to its issuance and subsequently, on April 6, 2017, OCII issued the RFP; and,

WHEREAS, OCII staff issued addenda to the RFP on May 11, 2017 and June 7, 2017 to modify submittal requirements to utilize 2017 rent and income limits, add a requirement for a property management narrative, and require that applicants include both a conventional construction and alternative construction scenario in an effort to address increasing construction costs. To allow adequate time to address these changes, the submittal deadline was extended from June 29, 2017 to July 27, 2017; and,

WHEREAS, OCII staff made extensive outreach efforts to attract submittals from qualified developers by the July 27, 2017 deadline. The RFP set forth specific submission requirements to be met in order to be fully reviewed by OCII staff; and,

WHEREAS, OCII formed an Evaluation Panel to review proposals for MBS 9. The eight-member panel consisted of a representative from the Mission Bay Community Advisory Committee, representatives from the Mayor’s Office of Housing and Community Development and the Department of Homelessness and Supportive Housing, three OCII housing staff, one member of the OCII design review staff and the Project Manager for the Mission Bay Project Area (the “Evaluation Panel”). Two representatives from OCII’s Contract Compliance team were present and provided analysis for scoring the Workforce and Contracting Action Plan sections of each submittal; and,

WHEREAS, OCII staff received two submittals that met the RFP’s minimum threshold requirements from the following developer teams: BRIDGE Housing Corporation with Community Housing Partnership, and Mercy Housing California with Episcopal Community Services. After a thorough review of the submittals and interviews with both teams, the Evaluation Panel determined that the proposal submitted by BRIDGE Housing and Community Housing Partnership with designer Leddy Maytum Stacy Architects (the “MBS 9 Development Team”) had

the highest ranking because of the strength of the proposal in responding to the RFP criteria, especially in the massing concept and financial feasibility categories; and,

WHEREAS, The Mission Bay Citizens Advisory Committee was informed of this RFP on March 9, 2017, provided an update on June 8, 2017, and the recommendation of the Evaluation Panel was presented to the Mission Bay Citizens Advisory Committee (“CAC”) on September 14, 2017; and,

WHEREAS, After adoption of this resolution, OCII staff will negotiate with the MBS 9 Development Team and return to the Commission to request authorization to enter into an Exclusive Negotiations Agreement and Predevelopment Loan Agreement in the coming months; and,

WHEREAS, The selection of a developer for MBS 9 is an administrative activity that does not constitute a “Project” as defined by the California Environmental Quality Act (“CEQA”) Guidelines Section 15378(b)(5), will not independently result in a physical change in the environment, and is not subject to environmental review under CEQA; now therefore, be it,

RESOLVED, That the Commission approves the selection of BRIDGE Housing and Community Housing Partnership as the MBS 9 Development Team and authorizes the Executive Director to negotiate an Exclusive Negotiations Agreement and Predevelopment Loan Agreement for future review and approval of the Commission.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of October 17, 2017.

  
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Commission Secretary