

1 [Redevelopment Improvements to the the Bayview Opera House and Plaza]

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3 **Resolution making certain findings pursuant to Health and Safety Code Section 33445**
4 **and consenting to the Redevelopment Agency of the City and County of San**
5 **Francisco’s use of tax increment funds to provide: (1) a \$400,000 grant to the San**
6 **Francisco Arts Commission for structural, seismic and disabled-accessibility**
7 **renovations to the Bayview Opera House; and (2) a \$785,000 grant to the San Francisco**
8 **Municipal Transportation Agency for Plaza improvements to the Bayview Opera House;**
9 **in the Bayview Hunters Point Redevelopment Project Area.**

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11 WHEREAS, The Redevelopment Agency of the City and County of San Francisco
12 (“Agency”) is authorized, pursuant to California Community Redevelopment Law (“CRL”)
13 (Health and Safety Code, Section 33000 et seq.) to provide assistance and advance funds for
14 the making of improvements necessary for the redevelopment of blighted areas and the
15 implementation of a project area redevelopment plan; and

16 WHEREAS, On June 1, 2006, the Agency adopted the Redevelopment Plan (the
17 “Plan”) for the Bayview Hunters Point (“BVHP”) Redevelopment Project Area (the “Project
18 Area”). One of the key goals of the Plan is economic revitalization of certain activity nodes of
19 the Project Area. One of the activity nodes is the Town Center where the Bayview Opera
20 House is located. The Bayview Opera House is owned by the City and County of San
21 Francisco (the “City”), acting by and through its Arts Commission; and

22 WHEREAS, The Bayview Opera House, built in 1888, is located between Oakdale and
23 Newcomb Avenues. It is a multi-use, cultural, and recreational center offering programs that
24 promote community arts through entertainment and education for the benefit of residents,
25 visitors, and businesses in the Project Area. It provides the BVHP community with a creative

1 outlet through programs offering performance arts, stage technician workshops, an acting
2 academy, a music academy, dance classes, photography, and art. It is a very visible cultural
3 symbol and gateway to the BVHP community, and has been granted landmark status by the
4 City; and

5 **SFAC Grant**

6 WHEREAS, Between 1973 and 2001, the San Francisco Arts Commission (“SFAC”)
7 undertook physical assessments of the Bayview Opera House. The assessments revealed
8 structural, seismic, and disabled-accessibility deficiencies. Since then, SFAC has been
9 looking for funds to address these deficiencies. In 2008, SFAC allocated \$248,000 from its
10 capital improvement budget to develop a scope of work and produce preliminary construction
11 drawings for improvements to correct the most critical deficiencies. At that time, the City was
12 hoping that this predevelopment work would attract federal stimulus funds to correct the
13 deficiencies, but the funds never materialized; and,

14 WHEREAS; The Bureau of Architecture of the City’s Department of Public Works is
15 assisting SFAC with the preliminary construction drawings, has estimated the total cost of the
16 Project at \$748,000 (the “Project Cost”) as of January 2010, and has agreed to oversee the
17 construction of the Project if there is sufficient funding for the Project Cost. SFAC recently
18 received an additional \$100,000 for the Project from the Mayor’s Office of Community
19 Investment, bringing the total current funding for the Project to \$348,000 and leaving a funding
20 gap of \$400,000. SFAC has requested that the Agency cover the gap because no alternative
21 funding is available; and,

22 WHEREAS, The Agency has reviewed the request from SFAC for a \$400,00 and
23 agreed to cover the gap using tax increment funds, subject to certain terms and conditions
24 that are incorporated into the grant agreement (the “SFAC Grant Agreement”), including,
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1 among other things, seeking the consent and approval of the Board of Supervisors of the City
2 and County of San Francisco (the “Board”); and,

3 **SFMTA Grant**

4 WHEREAS, The residents, businesses, stakeholders, the Bayview Hunters Point
5 Project Area Advisory Committee, the Agency, the San Francisco Municipal Transportation
6 Agency(“SFMTA”), and other City departments have been working closely together on a
7 project called “Bayview Connections” to improve transit service in the Project Area and to
8 connect the Project Area to Citywide and regional destinations. The Bayview Connection
9 project includes two major components: (1) the transit expansion consisting of the Third Street
10 Light Rail Project and improvements to pedestrian gathering spaces near transit stations; and
11 (2) economic revitalization of the Project Area; and

12 WHEREAS, SFMTA is now working on completing improvements to pedestrian
13 gathering spaces at the Bayview Opera House Plaza (the “Plaza”); and

14 WHEREAS, In 2000, SFMTA applied for, and received, a \$1.874 million grant (the
15 “Federal Funds”) from the Federal Transit Administration of the U.S. Department of
16 Transportation. The Federal Funds were earmarked for improvements to, or renovation of,
17 the Plaza to tie it to the nearby Oakdale/Palou Transit Hub and the surrounding residential,
18 commercial, cultural and institutional uses. The Federal Funds require local matching funds
19 set at a minimum of 11% of the Federal Funds or \$206,140; and

20 WHEREAS, During community meetings in 2000 to discuss the Plaza renovation,
21 community members expressed a collective desire to adequately address most of the Plaza’s
22 deficiencies – the lack of improvements, the lack of respite from the sun, noise, traffic, and the
23 lack of a convenient and direct connection to Third Street; and

24 WHEREAS, The proposed Plaza renovations include, among other things, reshaping
25 some of the Plaza’s existing elements to create contiguous open space around the Bayview

1 Opera House; replacing paving, perimeter fences and brick walls; and adding lighting and
2 utilities for an outdoor stage. As of January 2010, SFMTA estimated the total cost of the
3 current renovation plan at \$1.89 million (the "Project Cost"). Only \$1.1 million of the Federal
4 Funds are left for the renovation, leaving a gap of about \$785,000. SFMTA have asked the
5 Agency to cover the gap since there is no alternative funding available; and

6 WHEREAS, Agency staff has reviewed the request from SFMTA for \$785,000 and
7 agreed to cover the gap using tax exempt bond proceeds, subject to certain terms and
8 conditions that are incorporated into the grant agreement (the "SFMTA Grant Agreement"),
9 including, among other things, seeking the consent and approval of the Board; and

10 **CRL Requirements**

11 WHEREAS, Because the Agency will be granting \$400,000 and \$785,000 of its funds
12 to pay a part of the cost of the proposed r improvements and renovations to the Bayview
13 Opera House, a City-owned property, CRL Sections 33445 and 33679 requires the Agency to
14 seek the consent of the legislative body, in this case the Board, before providing the funding;
15 and,

16 WHEREAS, To facilitate moving forward on the Project, the City and the Agency desire
17 to execute the proposed grant agreements with SFAC and SFMTA to provide the requested
18 funds for the Project; and,

19 WHEREAS, CRL Sections 33445 and 33679 require the Board to make findings to
20 determine that: (1) the proposed seismic and disabled-access improvements to the Bayview
21 Opera House will help alleviate blight within the Project Area, (2) no other reasonable means
22 of financing the entire proposed improvements is available to the City or the community, and
23 (3) payment of funds for the cost of the improvements is consistent with the current
24 implementation plan for the Project Area; and

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1 WHEREAS, the Agency Commission adopted Resolution Nos. 24-2011 and 25-2011
2 on March 15, 2011, making findings pursuant to CRL Sections 33445 and 33679 for the use
3 of tax increment to provide supplemental funding for the improvements and renovation of the
4 Bayview Opera House and authorized the Agency staff to pursue Board of Supervisors
5 approval of the findings and consent for the Agency funding for the renovation project; and

6 **CRL Section 33445 & 33679 Findings For SFAC and SFMTA Grants**

7 WHEREAS, The Bayview Opera House is currently considered unsafe because of a
8 number of deficiencies, including weakened structural support for its existing balcony and lack
9 of accessibility improvements to comply with the Americans with Disability Act (“ADA”) – the
10 absence of ramp, stairs, and restrooms readily accessible to the disabled. The improvements
11 proposed to remove the deficiencies include: (1) the construction of a new concrete ramp and
12 stairs; (2) replacement of a roll-up door on the porch with a new pair of doors; (3) addition of
13 two ADA-accessible restrooms; (4) addition of a new interior wall under the existing balcony in
14 the main auditorium space; and (5) installation of metal columns under the existing balcony for
15 seismic strengthening. The proposed improvements will prevent the Bayview Opera House
16 from being declared seismically unsafe and noncompliant with ADA. This will help reduce its
17 blighting conditions and restore the building to a vibrant cultural center that can draw
18 residents, visitors, and businesses in the Project Area through the programs offer in the
19 center. The programs promote community arts through entertainment and education and it is
20 an important part of the vitality of this Project Area. Without the proposed SFAC Grant, the
21 Bayview Opera House would remain blighted and underutilized; and

22 WHEREAS, The Plaza Plaza’s deficiencies include a lack of respite from the sun,
23 exposure to excess noise and traffic, and the lack of a convenient and direct connection to
24 Third Street. The proposed Plaza renovations will create a contiguous open space around the
25 Bayview Opera House; replace paving, perimeter fences and brick walls; and adding lighting

1 and utilities for an outdoor stage. Correcting the Plaza deficiencies will eliminate a blighting
2 condition in the Project Area; and

3 WHEREAS, The City searched for additional funding within its own budget and from
4 other sources but was impeded because of the recent economic recession. The City faces
5 substantial fiscal challenges in light of substantially reduced tax revenues and challenging
6 economic conditions created by the recession. According to the Three-Year Budget
7 Projection for General Fund Supported Obligations FY 2010-11 through 2012-13, projected
8 shortfalls in General Fund revenues compared to expenditures over the next three years are
9 \$483 million in FY 2010-11, \$712 million in FY 2011-12, and \$787 million in FY 2012-13.
10 These projected deficits illustrate why alternative sources of funding are not available for the
11 needed seismic and disabled-access improvements to the Bayview Opera House; and

12 WHEREAS, The proposed structural, seismic and the disabled-accessibility
13 improvements to the Bayview Opera House and the Plaza renovations are consistent with the
14 Project Area's Five-Year Implementation Plan ("the Implementation Plan") adopted pursuant to
15 Health and Safety Code Section 33490. The Implementation Plan covers the period from July
16 1, 2006 to June 30, 2011 and was adopted under the March 7, 2006 Agency Commission
17 Resolution No. 32-2006 and under the June 1, 2006 San Francisco County Board of
18 Supervisors' Ordinance No. 113-06. The Implementation Plan lists the goals and objectives to
19 be achieved within its five-year operating period, including the following specific objectives: (a)
20 *facilitating the preservation, rehabilitation; and seismic retrofitting of historic buildings and other*
21 *landmarks, and (b) eliminating blighting influences ... deteriorated public improvements,*
22 *facilities, and utilities.* The proposed improvements to the Bayview Opera House and Plaza
23 renovations will help to preserve this historic landmark to continue to meet some of the of the
24 community's cultural needs; and; now, therefore, be it

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1 RESOLVED, The Board of Supervisors finds, based on the record before it, including
2 but not limited to the facts and findings contained in the Agency Resolutions Nos. 24-2011
3 and 25-2011, the two Summary Reports prepared by the Agency, and the factual recitals
4 contained in the Whereas clauses of this Board resolution, that: (1) the proposed use of tax
5 increment funding through the SFAC Grant Agreement and the SFMTA Grant Agreement will
6 benefit the Project Area by helping to eliminate blight within the Project Area; (2) no other
7 reasonable means of funding the interior renovation project are available to the City and
8 County of San Francisco; and (3) the payment of funds for the cost of the interior renovation
9 of the Bayview Opera House is consistent with the Implementation Plan; and, be it

10 FURTHER RESOLVED, That the Board of Supervisors of the City and County of San
11 Francisco consents to the execution of the SFAC Grant Agreement and SFMTA Grant
12 Agreement and disbursement of Agency tax increment funds pursuant to their respective
13 terms for the proposed improvement and renovation of the Bayview Opera House.

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