

File No. 210082

Committee Item No. 9

Board Item No. \_\_\_\_\_

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date February 10, 2021

Board of Supervisors Meeting

Date \_\_\_\_\_

#### Cmte Board

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| <input type="checkbox"/>            | <input type="checkbox"/> | Motion                                       |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution                                   |
| <input type="checkbox"/>            | <input type="checkbox"/> | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/> | Legislative Digest                           |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/> | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/> | Introduction Form                            |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/> | MOU  |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Subcontract Budget                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Contract/Agreement                           |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/> | Public Correspondence                        |

#### OTHER (Use back side if additional space is needed)

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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Funding Recommendations - January 2021</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Proposed Budget</u>                        |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Request for Proposals - Fall 2020</u>      |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Background and Strategic Plan</u>          |
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Completed by: Linda Wong Date February 5, 2021

Completed by: Linda Wong Date \_\_\_\_\_

1 [Authorizing Expenditures - SoMa Community Stabilization Fund - Nonprofit-Owned Facility -  
2 \$3,000,000]

3 **Resolution authorizing the Mayor’s Office of Housing and Community Development to**  
4 **expend SoMa Community Stabilization Fund dollars in the amount of \$3,000,000 to**  
5 **acquire and/or renovate a nonprofit-owned facility in the South of Market**  
6 **neighborhood, in accordance with the purposes and goals for the funding set forth in**  
7 **the Strategic Plan and the Funding Recommendations approved by the SoMa**  
8 **Community Stabilization Fund Community Advisory Committee.**

9  
10 WHEREAS, On August 19, 2005, the Board of Supervisors approved Ordinance No.  
11 217-05 (the “Ordinance”), which, among other things, established a new Rincon Hill  
12 Downtown Residential Mixed Use District; and

13 WHEREAS, The Ordinance added Section 418 to the San Francisco Planning Code,  
14 which identifies a need to mitigate the impacts of new development in the Rincon Hill area and  
15 establishes two new fees: 1) the Rincon Hill Community Infrastructure Impact Fee, which  
16 provides specific improvements, including community open spaces, pedestrian and  
17 streetscape improvements and other facilities and services; and 2) a SoMa Community  
18 Stabilization Fee, which mitigates impacts on affordable housing, economic and community  
19 development and community cohesion in SoMa, as defined in San Francisco Planning Code,  
20 Section 401 (the area bounded by Market Street to the north, Embarcadero to the east, King  
21 Street to the south, and South Van Ness and Division to the west); and

22 WHEREAS, Both the Rincon Hill Community Infrastructure Impact Fee and the SoMa  
23 Community Stabilization Fee are imposed on new residential development within the Rincon  
24 Hill Downtown Residential Mixed Use District, as defined in San Francisco Planning Code,  
25

1 Section 827 (the area generally bounded by Folsom Street, the Bay Bridge, the Embarcadero,  
2 and Essex Street); and

3 WHEREAS, The Ordinance established two separate funds: 1) a Rincon Hill  
4 Community Improvements Fund for the deposit of the Rincon Hill Community Infrastructure  
5 Impact Fees collected; and 2) a SoMa Community Stabilization Fund for the deposit of SoMa  
6 Community Stabilization Fees collected; and

7 WHEREAS, The money collected from the SoMa Community Stabilization Fee, along  
8 with up to \$6,000,000 transferred from the Rincon Hill Community Improvements Impact  
9 Fund, is to be deposited in the SoMa Community Stabilization Fund maintained by the  
10 Controller, which will be used to address various impacts of destabilization on residents and  
11 businesses in SoMa; and

12 WHEREAS, Under the Ordinance, the Board of Supervisors established the SoMa  
13 Community Stabilization Fund Community Advisory Committee (SoMa CAC) to advise the  
14 Mayor's Office of Community Development (MOCD), now the Mayor's Office of Housing and  
15 Community Development (MOHCD), and the Board of Supervisors on the uses of the Fund;  
16 and

17 WHEREAS, On May 6, 2008, the Board of Supervisors approved Resolution  
18 No. 216-08, creating the SoMa Community Stabilization Fund Strategic Plan and authorized  
19 MOHCD to administer the Fund in accordance with the Strategic Plan; and

20 WHEREAS, The SoMa CAC and MOHCD worked collaboratively to issue a request for  
21 proposals (RFP) that was released on November 12, 2020, consistent with the Strategic Plan,  
22 for nonprofit organizations seeking assistance from the Fund; and

23 WHEREAS, A copy of the SoMa CAC Funding Recommendations resulting from  
24 the RFP has been filed with the Clerk of the Board under File No. 210082, now, therefore,  
25 be it

1           RESOLVED, That the Mayor's Office of Housing and Community Development is  
2 hereby authorized to expend \$3,000,000 from the SoMa Community Stabilization Fund, all in  
3 accordance with the purposes and goals for the funding as generally set forth in the Strategic  
4 Plan and the Funding Recommendations approved by the CAC and filed with the Clerk of the  
5 Board.

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1 Recommended:

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3 /s/  
Eric D. Shaw, Director, MOHCD

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5 Approved:

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7 /s/  
London N. Breed, Mayor

/s/  
Ben Rosenfield, Controller

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<p><b>Item 9</b> <b>File 21-0082</b></p>	<p><b>Department:</b> The Mayor’s Office of Housing and Community Development (MOHCD)</p>
<p><b>EXECUTIVE SUMMARY</b></p>	
<p style="text-align: center;"><b>Legislative Objectives</b></p> <ul style="list-style-type: none"> <li>• The proposed resolution would authorize MOHCD to expend \$3,000,000 from the SoMa Community Stabilization Fund to provide grant funding to acquire and/or renovate a nonprofit-owned facility in the South of Market (SoMa) neighborhood, in accordance with the purposes and goals for the funding set forth in the Strategic Plan and the Funding Recommendations approved by the SoMa Community Stabilization Fund Advisory Committee.</li> </ul> <p style="text-align: center;"><b>Key Points</b></p> <ul style="list-style-type: none"> <li>• MOHCD proposes to use \$3 million (from a total of \$6 million) transferred from the Rincon Hill Community Improvements Impact Fund to the SoMa Community Stabilization Fund to support the West Bay Pilipino Multi Service Center’s commercial real estate acquisition and rehabilitation project at 150-154 7<sup>th</sup> St. The West Bay Pilipino Multi Service Center is an academic enrichment and advocacy nonprofit based in SoMa.</li> <li>• The West Bay Pilipino Multi Service Center entered into a Purchase &amp; Sale Agreement for the new site at 150-154 7<sup>th</sup> St. for \$3,125,000, with an initial deposit of \$90,000. Relocation from the existing site to 150-154 7<sup>th</sup> St. would increase the square footage available to the West Bay Center by 2,215 sq. ft.</li> </ul> <p style="text-align: center;"><b>Fiscal Impact</b></p> <ul style="list-style-type: none"> <li>• Total project costs are approximately \$6.2 million, including \$3.3 million in acquisition costs and \$2.9 million in renovation costs. The funding provided through the SoMa Community Stabilization Fund would close the \$2,281,069 gap for site acquisition and contribute \$718,931 towards construction costs.</li> <li>• Approximately \$1.9 million in total fundraising revenue to support the construction and operating reserve has not been confirmed as a funding source. The total minimum amount that West Bay needs to prepare the building for services is \$1.26 million by early 2022. West Bay is currently seeking loans from potential lenders to cover potential funding gaps, should they fail to meet their fundraising goals.</li> </ul> <p style="text-align: center;"><b>Policy Consideration</b></p> <ul style="list-style-type: none"> <li>• The City’s contribution toward the purchase and renovation of 150-154 7<sup>th</sup> Street is \$3,647,396, which includes the \$3 million from the SOMA Community Stabilization Fund and \$647,396 from the Office of Economic and Workforce Development.</li> </ul> <p style="text-align: center;"><b>Recommendations</b></p> <ul style="list-style-type: none"> <li>• The Board of Supervisors should (a) amend the proposed resolution to request that MOHCD include in the Declarations of Restrictions a provision that (i) ensures the use of the property for nonprofit purposes, and (ii) provides for repayment of the City’s \$3.6 million contribution in the event that the property is sold at a future date at market rate; and (b) approve the proposed resolution as amended.</li> </ul>	

## MANDATE STATEMENT

In accordance with Planning Code Section 418.7, all funds in the South of Market Area (SOMA) Community Stabilization Fund are to be expended to address the effects of destabilization on residents and businesses in SOMA due to new residential development in the Rincon Hill Area. SOMA Community Stabilization Fund expenditures are administered by the Mayor's Office of Housing and Community Development (MOHCD), subject to approval by resolution of the Board of Supervisors.

## BACKGROUND

The Board of Supervisors approved a new Section 418 in the City's Planning Code in 2005 which, among other provisions, (a) established the Rincon Hill Downtown Residential District, (b) imposed a Rincon Hill Community Infrastructure Fee, (c) created a Rincon Hill Community Improvement Fund for the deposit of the Rincon Hill Community Infrastructure Fees collected, (d) imposed a SoMa Community Stabilization Fee of \$14 per square foot (subsequently amended down to \$10.9 per square foot by the Board of Supervisors under Ordinance 270-10) on developers who build new residential development within the Rincon Hill Downtown Residential District<sup>1</sup>, (e) created the SoMa Community Stabilization Fund for the deposit of SoMa Community Stabilization Fees collected, and (f) established a SoMa Community Stabilization Fund Community Advisory Committee (CAC) to advise the MOHCD and the Board of Supervisors on the uses of the SoMa Community Stabilization Fund (File 05-0865, Ordinance 217-05).

The Planning Code stipulates that dollars from the SoMa Community Stabilization Fund are to be expended to provide assistance to SoMa residents including affordable housing, community asset building, employment development, job growth and job placement, and other services to address impacts of destabilization.

In 2008, the Board of Supervisors approved a resolution (a) approving the SoMa Community Stabilization Fund Strategic Plan; (b) authorizing MOHCD to administer the SoMa Community Stabilization Fund in accordance with this strategic plan; and (c) authorizing MOHCD to work with the CAC to issue Requests for Proposals (RFPs) for non-profit agencies to provide services addressing the effects of destabilization on residents and businesses in SoMa, consistent with the Community Stabilization Fund Strategic Plan (File 08-0544, Resolution 216-08).

The CAC revised the Community Stabilization Fund Strategic Plan in 2011 to articulate four goals, which include:

1. Strengthen community networks and infrastructure to build neighborhood unity, self-determination and equity in SoMa
2. Support economic and workforce development for low-income residents and businesses that serve the SoMa community
3. Increase access to perpetually affordable housing opportunities for existing SoMa residents

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<sup>1</sup> The Rincon Hill Downtown Residential District is the area bounded by Folsom Street, The Embarcadero, Bryant Street, and Essex Street.

#### 4. Improve the infrastructure and physical environment

##### **RFP Process**

In November 2020, MOHCD issued an RFP entitled “SoMa Community Stabilization Fund Capital Projects” for community-based organizations seeking grant assistance from the SoMa Community Stabilization Fund. The RFP provided up to \$3 million in grant funding to support a commercial real estate acquisition project or projects that create new, nonprofit-owned space in the SoMa. MOHCD prioritized projects that serve the low-income and historically underserved communities in SoMa, particularly those that represented by the neighborhood’s cultural Districts.<sup>2</sup> According to Ms. Claudine del Rosario, SoMa Fund Director, MOHCD chose to award this funding as grant funding (as opposed to a loan) because it likely wouldn’t be feasible for small nonprofits with relatively small budgets to carry a loan in the amount required for acquiring a new space.

MOHCD received five proposals. Out of the five proposals, only three were evaluated and scored.<sup>3</sup> See Table 1.

**Table 1. RFP Proposals and Scores**

<b>Organization</b>	<b>Score</b>
West Bay Pilipino Multi Service Center	90
APILO <sup>4</sup>	67
Asian Inc.	65

Source: Received from MOHCD

The proposals were evaluated by two CAC members and one MOHCD staff member.<sup>5</sup> Out of the proposals that were scored, the West Bay Pilipino Multi Service Center had the highest score, with 90 out of a total 100 points.<sup>6</sup> The remaining scored proposals were also for community infrastructure projects located in SoMa, specifically located at 1121 Mission Street for Asian Pacific Islander Legal Outreach (APILO) and 1167 Mission Street for Asian, Inc.

MOHCD selected the proposal to acquire and rehabilitate new nonprofit space for the West Bay Pilipino Multi-Service Center (West Bay Center), a SoMa-based nonprofit organization.

##### **West Bay Pilipino Multi Service Center**

The West Bay Center, based in SoMa, provides after-school programming on academic enrichment, mentorship, college preparatory activities, case management services and senior support services. The Center also provides advocacy on various issues including housing, health,

<sup>2</sup> MOHCD prioritizes nonprofits representing important SoMa cultural communities, which includes Filipinos and the lesbian, gay, bisexual, transgender, and queer (LGBTQ) community.

<sup>3</sup> According to MOHCD, two of the proposals received were nonresponsive to communication requests and were not scored by the review panel.

<sup>4</sup> Asian Pacific Islander Legal Outreach

<sup>5</sup> The MOHCD staff member is the Director of Housing.

<sup>6</sup> Proposals were scored on Project Design (50 points), Organizational Capacity (30 points) and Project Budget (20 points).



employment, criminal justice and discrimination that impact the socio-economic disadvantaged population of San Francisco, with a special emphasis on Filipino residents. Of the total 143 youth, families and seniors that attend West Bay's programming, more than 84 percent live in SoMa. The West Bay Center is currently contracted with the Department of Children, Youth and their Families (DCYF) to provide programming for youth for time out of school, afterschool and summers for an approximate amount of \$445,000 annually. The most recent fiscal monitoring report conducted by DCYF for FY 19-2020 found that the West Bay Center is in compliance.<sup>7</sup> West Bay also receives outside non-City funds to provide family support services.

## DETAILS OF PROPOSED LEGISLATION

The proposed resolution would authorize MOHCD to expend \$3 million from the SoMa Community Stabilization Fund to acquire and/or renovate a nonprofit-owned facility in the South of Market neighborhood, in accordance with the purposes and goals for the funding set forth in the Strategic Plan and the Funding Recommendations approved by the SoMa Community Stabilization Fund Community Advisory Committee.

### Funding Source

In addition to the SoMa Community Stabilization Fund, Ordinance No. 217-05 also established the Rincon Hill Community Improvements Fund for the deposit of the Rincon Hill Community Infrastructure Impact Fees. Section 418.5(2) of the Administrative Code authorized the transfer of \$6 million from the Rincon Hill Community Improvements Fund to the SoMa Community Stabilization Fund to be used exclusively for SoMa open space facilities development, community facilities development, pedestrian safety infrastructure and affordable housing in SoMa. This resolution would authorize the release of \$3 million from this set aside funding.

### 150-154 7<sup>th</sup> St Property

The West Bay Center is currently operating out of a commercial space located at 175 7<sup>th</sup> St. across the street from the acquisition site. The nonprofit also borrows space from the Recreation and Parks Department as needed. The 175 7<sup>th</sup> St site is 1,500 square feet and the borrowed Rec Center space totals 2,500 square feet, for a total amount of 4,000 square feet available to the nonprofit. The Center does not currently pay rent; however, the lease expires in June 2021 and the nonprofit would be unable to pay market rent, estimated at \$63,000 annually.<sup>8</sup>

In 2019 the West Bay Center conducted a space needs assessment, which found a new building would need to be at least 4,800 square feet to accommodate the Center's basic programming needs and ideally, 6,200 to meet the needs of all daily programs. The needs assessment also found that the new site must be within 0.25-mile proximity from its current location due to the high number of clients that live in close proximity to the existing center.

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<sup>7</sup> The nonprofit did receive "Not Yet in Conformance" findings for the categories "Board Oversight" and "Audited Financial Statements" in FY 18-2019."

<sup>8</sup> \$3.50/square foot x 1,500 square feet x 12 months. Source: West Bay Pilipino Center Proposal.

The West Bay Center into a Purchase & Sale Agreement for the site at 150-154 7<sup>th</sup> St. with 150-7<sup>th</sup> St Property, LLC as seller in February 2020 for \$3,125,000, with an initial deposit of \$90,000.<sup>9</sup> An appraisal for the site is currently being conducted. The appraisal is expected to be available in early/mid-March. In July 2020, the site was assessed by the engineering firm Marx Okubo & Associates, which found the property to be in overall fair condition but in need of some renovations, including roof replacement, repainting and ceiling repair.<sup>10</sup>

150-154 7<sup>th</sup> Street has three ground floor spaces and one upstairs space, totaling 7,500 square feet, which includes 1,285 square feet of commercial space that is currently home to a small business.<sup>11</sup> West Bay would occupy 6,215 square feet of the upstairs and downstairs spaces. The remaining 1,285 square feet would be occupied by the business. The West Bay Center would continue to lease the commercial space to the existing tenant at below market rate. The relocation from 175 7<sup>th</sup> St. to 150-154 7<sup>th</sup> St. would increase the square footage available to the Center by 2,215 sq. ft.

## FISCAL IMPACT

The proposed resolution would authorize MOHCD to expend \$3 million from the total \$6 million that was transferred from the Rincon Hill Community Improvements Impact Fund to the SoMa Community Stabilization Fund, as authorized by Administrative Code Section 418.5. MOHCD projects a remaining fund balance of \$3.7 million in the SoMa Community Stabilization Fund. See table 2 below.

**Table 2: SoMa Community Stabilization Fund Balance**

	<b>SoMa Community Stabilization Fund</b>
Revenues	\$33,190,317
Expenditures through 6/30/20	(22,888,565)
Encumbered Funds	(823,132)
Expenditures Approved by BOS but Unencumbered	(5,000,000)
Small Sites Pool	(364,997)
Strategic Assessment	(100,000)
Transferred from Rincon Hill Community Fund	6,000,000
<b>Planned Expenses</b>	
Capital Projects Funding Swap <sup>12</sup>	(995,000)
RFP for nonprofit acquisition and rehabilitation	(3,000,000)
Capacity Building	(1,800,000)
Two-year Administrative Costs	(500,000)
<b>Remaining Balance</b>	<b>\$3,718,623</b>

Source: Received from MOHCD

<sup>9</sup>  $3,125,000/7,500 = \$417/\text{sq ft.}$

<sup>10</sup> Marx & Okubo Associates Environmental Report of 150 7<sup>th</sup> St, prepared for Westbay Pilipino Multi Services Corporation on July 23, 2020.

<sup>11</sup> The 1,285 sq. foot commercial space on the right side of the building is home to the 7<sup>th</sup> Mission Restaurant, an over 20-year old SoMa small business.

<sup>12</sup> According to Ms. Del Rosario, the Capital Projects Funding Swap line item is available for use

Projected revenues are not included in the fund balance, however MOHCD anticipates approximately \$7 million in fee revenues through the end of FY 2020-21. The \$3 million nonprofit acquisition and rehabilitation project would be the first expenditure from the total \$6 million transferred from the Rincon Hill Community Improvements Fund to the SoMa Community Stabilization Fund.

### Acquisition & Rehabilitation

The total project costs are approximately \$6.2 million, including \$3.3 million in acquisition costs and \$2.9 million in renovation costs, including 2-year capitalized operating reserves. The funding provided through this grant would close the \$2,281,069 gap for site acquisition and contribute \$718,931 towards construction costs. See Table 3 below.

**Table 3: Projected Project Budget**

Uses	SOMA Stabilization Fund	Nonprofit Sustainability Initiative	Confirmed Fundraising Sources	In-Kind Contributions (Professional Services) and Anticipated Fundraising	Total
<b>Acquisition</b>					
Building Purchase	\$2,281,069	\$647,396	\$196,535		\$3,125,000
Due Diligence and Closing Costs			48,119	110,610	<u>158,729</u>
Subtotal					\$3,283,729
<b>Renovation</b>					
Hard Costs	647,038			1,387,849	2,034,887
Soft Costs				474,487	474,487
Capitalized Operating Reserve				132,800	<u>132,800</u>
Subtotal					\$2,642,174
<u>Contingency</u>	71,893		5,347	219,216	296,456
<b>Total</b>	<b>\$3,000,000</b>	<b>\$647,396</b>	<b>\$250,001</b>	<b>\$2,324,962</b>	<b>\$6,222,359</b>

Source: West Bay Project Proposal, received from MOHCD

### \$1.9 Million in Funding for Construction Has Not Been Confirmed

According to the Department, approximately \$1.9 million of total fundraising revenue to support the construction and operating reserve has not been confirmed. The West Bay Center has a phased construction budget that prioritizes renovations by necessity in the event they are unable to meet their fundraising goals. Of the \$2.6 million a budget for renovation shown in Table 2 above, approximately \$760,985 would be available for the first phase of construction. Phase 1, would involve bringing the building up to code standards and begin build out of the ground floor. An additional \$500,000 is required to complete the ground floor build out and allow West Bay to open the building for service provision. The total minimum amount that West Bay needs to raise

in order to prepare the building for public services is \$1.26 million. Assuming a July 2021 construction start, these funds would need to be drawn by the end of 2021 or early 2022. According to MOHCD staff, West Bay is currently seeking loans from potential lenders to cover potential funding gaps, should they fail to meet their fundraising goals. See below.

**Table 4. Potential Phases of Construction (Hard Costs Only)**

Potential Phases of Work	Description	Estimated Cost
Phase 1	Code compliance and build out of ground floor	\$760,985
Phase 2	Further build out of ground floor	500,000
Phase 3	Build out of second floor	500,000
Phase 4	Further build out of second floor	500,000
<b>Total</b>		<b>\$2,260,985</b>

Source: Received from MOHCD

According to Ms. del Rosario, West Bay has plans for a capital campaign kickoff and two major fundraising events in 2021 with the goal of raising at least \$1.5 million within the year. West Bay has identified banks, credit unions, community development financial institutions (CDFIs) or non-profit loan funds as potential lenders. West Bay is also considering seeking a Small Business Administration (SBA) loan and is currently engaged with Beneficial State Bank.

### Deed Restrictions

According to Ms. Del Rosario, the Declaration of Restrictions and associated documents have not yet been drafted. The final agreement will restrict use of the property solely for nonprofit uses as described in the grant agreement and for a "Compliance Term" of no less than 20 years and up to 30 years, according to MOHCD's requirements. In the event that West Bay fails to comply with associated regulatory obligations, the City may exercise any rights available under the agreement.

### Operating Costs

As part of the application process, MOHCD reviewed the West Bay Center's 10-year estimated operating costs, which shows yearly net operating income ranging from \$80,688 in 2022 and \$69,225 in 2031. Revenue sources include approximately \$500,000-\$600,000/year in government contracts, which have not yet been confirmed as ongoing sources of revenue, and between approximately \$45,000 to \$55,000/year in commercial rent income from leasing the commercial space to 7<sup>th</sup> Mission Restaurant.

**POLICY CONSIDERATION**

The City's contribution toward the purchase and renovation of 150-154 7<sup>th</sup> Street is \$3,647,396, which includes the \$3 million from the SOMA Community Stabilization Fund and \$647,396 from the Office of Economic and Workforce Development. The Board of Supervisors should amend the proposed resolution to request that MOHCD include in the Declarations of Restrictions a provision that (a) ensures the use of the property for nonprofit purposes, and (b) provides for repayment of the City's \$3.6 million contribution in the event that the property is sold at a future date at market rate.

**RECOMMENDATIONS**

1. Amend the proposed resolution to request that MOHCD include in the Declarations of Restrictions a provision that (a) ensures the use of the property for nonprofit purposes, and (b) provides for repayment of the City's \$3.6 million contribution in the event that the property is sold at a future date at market rate.
2. Approve the proposed resolution as amended.

Funding Recommendations **January**  
for South of Market Community Stabilization Fund **2021**

<u>Agency</u>	<u>Program Description</u>	<u>1 Year Funding</u>
<i>Facilities Acquisition and Renovation</i>		
<b>West Bay Pilipino Multi-Service Center</b>	Capital funds to acquire and renovate a non-profit owned facility in the South of Market	\$3,000,000
		\$3,000,000
<b><i>TOTAL EXPENDITURE REQUEST</i></b>		<b><i>\$3,000,000</i></b>

**Proposed Budget**

Mayor’s Office of Housing and Community Development – SoMa Community Stabilization Fund Grant Program

<b>Project Description</b>	<b>Grant/Round</b>	<b>Budget Amount</b>	<b>Project Sponsor</b>
Capital Acquisition and rehabilitation of new nonprofit space for West Bay Pilipino Multi-service Center, a SoMa-based nonprofit organization	SoMa Capital RFP	\$3,000,000	West Bay Pilipino Multi-service Center

# **SOMA COMMUNITY STABILIZATION FUND CAPITAL PROJECTS**

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## **REQUEST FOR PROPOSALS**

**Fall 2020**

RELEASED

November 12, 2020

PROPOSALS DUE

December 3, 2020

at 5:00 p.m.





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# INTRODUCTION

The Mayor's Office of Housing and Community Development (MOHCD) and the SoMa Community Stabilization Fund (SoMa Fund) are pleased to announce the availability of up to \$3 million for the acquisition and/or renovation of nonprofit-owned space in the South of Market neighborhood of San Francisco, with a focus on retaining and engaging historically-underserved communities.

This funding is intended for a facility or facilities that shall be owned by an organization that has demonstrated a deep and sustained commitment to serving SoMa. With this level of investment, an anchor institution can become a permanent foothold in the neighborhood where it provides essential services, while explicitly expanding its reach to address emergent community needs with the resulting space.

Our goal with this offering is to support SoMa nonprofit service providers in securing high-quality, stable facilities. MOHCD's Consolidated Plan<sup>1</sup> articulates its priority to target amenities development to communities impacted by increased housing density.

MOHCD recognizes how challenging the issue of affordability is for nonprofits. The expensive real estate market profoundly impacts nonprofits' ability to remain stably housed in the city that relies on them to provide essential services and access to arts and cultural programs for thousands of San Franciscans.<sup>2</sup> Now more than ever, as we face a moment of racial justice reckoning and a global pandemic that disproportionately affects people of color, the City must harness its resources to create more equity and inclusion in asset ownership while protecting its most vulnerable residents. This is an opportunity to support community asset-building through nonprofit acquisition of real property.

MOHCD is in alignment with the recent Central SoMa Plan<sup>3</sup> which lists among its goals the need to preserve and celebrate the neighborhood's cultural heritage. MOHCD's Cultural Districts Program recognizes that SoMa is an important center for two cultural communities: Filipinos and the lesbian, gay, bisexual, transgender, and queer (LGBTQ) community. As such, nonprofit organizations that serve residents representing these districts, SoMa Pilipinas and/or the Leather & LGBTQ Cultural District, will be given priority for funding.

Sincerely,

Brian Cheu, Director, Community Development & Claudine M. del Rosario, SoMa Fund Director



# SOMA FUND OVERVIEW

The Rincon Hill Area Plan was approved in 2005, effectively rezoning the area (generally bounded by Folsom Street to the north, the Embarcadero to the east, Bryant Street and the north side of the Bay Bridge to the south, and Essex Street to the west) for residential development. The San Francisco Board of Supervisors approved an amendment to the Planning Code establishing the SoMa Community Stabilization Fund (SoMa Fund). This legislation imposed a SoMa community stabilization impact fee on residential development in the Rincon Hill Area Plan to provide community stabilization benefits in SOMA including affordable housing, economic development and community cohesion and infrastructure.

Alongside this legislation, the Board of Supervisors approved a resolution, requiring the Mayor's Office of Community Development (MOCD), now the Mayor's Office of Housing and Community Development (MOHCD), to administer the Fund. The legislation also stipulates that there must be a SoMa Community Stabilization Fund Community Advisory Committee (the CAC), composed of seven members representing the SoMa community, to advise MOHCD and the Board of Supervisors on the administration and expenditure of the SoMa Fund.

Initial fees were received and procured by MOHCD, in partnership with the CAC, in 2010. Over the last ten years, the Fund has invested in various stabilization initiatives to prevent the displacement of SoMa residents, nonprofits, and small community-serving businesses, guided by a Strategic Plan which was adopted by the Board of Supervisors in 2008.

In December 2018, the Board of Supervisors adopted the Central SoMa Plan along with additional fees allocated to the Fund for social and cultural programming as well as community facilities. With the anticipated infusion of another \$45 million in development fees, the CAC will initiate a new strategic planning process to inform the resulting community benefit investments.

In adherence with the current strategic plan (outlined on page 5), the Fund invests in the rehabilitation, acquisition and/or development of community facilities in the South of Market.



# MISSION AND OBJECTIVES

The mission of the SOMA Community Stabilization Fund Community Advisory Committee is to stabilize the community and promote equity through funding recommendations and priorities that mitigate the impact of development.

Its vision is that populations most vulnerable to displacement in SoMa (individuals, families, businesses that serve and employ them, nonprofit organizations, community arts, and educational institutions) are able to live, work and prosper in a neighborhood that is safe and culturally and economically diverse.

Per the Fund's Strategic Plan, investments are directed toward the following four areas:

**Housing** – Increase access to perpetually affordable housing opportunities for existing residents of SoMa.

- resident engagement and leadership development
- services to provide information and preparation to successfully compete for affordable units
- invest in acquisition, rehabilitation and/or development of land and property

**Jobs and Income** – Support economic and workforce development for low income residents and community serving businesses.

- employer cultivation
- job preparation
- income support through micro business
- asset development
- leadership development and financial literacy programs for youth and families

**Community Cohesion and Neighborhood**

**Communication** – Strengthen community networks and infrastructure to build neighborhood unity, self-determination and equity in SoMa; Preserve the social heritage of the neighborhood.

- local nonprofit community infrastructure development
- neighborhood culture and arts that preserve existing social heritage of the neighborhood
- fostering resident connections across culture and income

**Physical Infrastructure** - Improve the infrastructure and physical environment of the neighborhood.

- Rehabilitation, acquisition and/or development of community facilities
- Improve public spaces and outdoor facilities to promote cohesion among diverse groups in the neighborhood



# FUNDING GUIDELINES

## Eligibility

Organizations are eligible to submit a grant proposal if they meet all the following criteria:

1. The organization is (or has a fiscal sponsor that is) a nonprofit, public benefit corporation tax exempt under Internal Revenue Code 501(c)(3) as a public charity. Note: MOHCD may make certain exceptions for 501(c)(4) and 501(c)(6) nonprofit organizations, as well as churches and religious organizations whose programming aligns with the charitable purposes designated for 501(c)(3) status and who welcome and serve all members of the community regardless of religious belief.

The following organizations are ineligible to apply for funding under this RFP:

- City departments and agencies;
- Organizations that require membership in a certain religion or advance a particular religious faith;
- Independent schools; and
- Organizations with an existing, ongoing capital project grant from MOHCD.

2. The organization's project site is located within the boundaries of the South of Market (SoMa) neighborhood in San Francisco (reference map below).
3. At least 75% of the organization's projected service participants are SoMa residents.
4. The organization has demonstrated a sustained commitment to serving SoMa's historically-underserved populations, particularly those represented by the neighborhood's cultural districts, for the last twenty years.

If organizations have questions or comments about these eligibility criteria, please email them to [CommDevRFP@sfgov.org](mailto:CommDevRFP@sfgov.org).



# FUNDING GUIDELINES (cont.)

## Racial Equity

In partnership with city and community leaders, MOHCD seeks to advance opportunities and improve programmatic outcomes for Black, Brown and low-income residents. As such, MOHCD is assessing programs, contracts, and procurements to ensure they advance the city's racial equity goals. MOHCD will be working closely with our partner organizations to monitor the impact of our investments. MOHCD will provide capacity building, clear information to partner organizations, and create channels to give and receive feedback to ensure that all parties are aligned in the expectation to create an inclusive and equitable city where all residents have the opportunity to thrive.

Mayor Breed recently established the Office of Racial Equity with the goal of transforming systems to support the collective liberation of Blacks, Indigenous/American Indians, and People of Color (BIPOC) in San Francisco. MOHCD and the SoMa Fund are aligned with this effort, outlining one of its key investment objectives to "strengthen community networks and infrastructure to build neighborhood unity, self-determination and equity in SoMa." MOHCD continues this commitment and will continue to center our work on culturally-responsive solutions developed by the people most impacted by social inequities.

## COVID-19

This RFP was developed through a robust research process by working with City and community leaders to identify current challenges and new trends given the pandemic, diving deeply into [www.racialequitytools.org](http://www.racialequitytools.org) with a focus on their "COVID-19 - Racial Equity & Social Justice Resources".

MOHCD understands that COVID-19 disproportionately impacts BIPOC. Even before the outbreak of the pandemic, many people in SoMa were struggling to make ends meet. Organizations that can and have responded to the emerging needs of vulnerable SoMa residents will need critical support and stability in order to continue their COVID-19 response.

MOHCD will continue to partner with the Department of Public Health (DPH) to protect San Francisco residents and the people who serve them during this unprecedented health crisis.



# REQUEST

MOHCD is seeking grant proposals to support a commercial real estate acquisition project or projects that create new, nonprofit-owned space in the South of Market neighborhood of San Francisco.

This RFP will provide up to \$3,000,000 in total grant funding. The award will be setup as a one-time allocation through a two-year contract, starting as early as November 1, 2020. The final terms and conditions of the grant are subject to negotiation.

Grant proposals that include tenant improvements/renovations must request funding for the monthly reimbursement of expenses related to the project eligibility criteria in the Project Criteria section of this RFP.

For both new construction and renovation projects, applicants must also demonstrate that designs will be implemented in accordance with DPH guidelines related to minimizing public exposure to COVID-19.

MOHCD will prioritize eligible projects from nonprofit organizations that:

- Serve and are deeply rooted in low-income and historically-underserved communities in the South of Market neighborhood, particularly those

represented by the neighborhood's Cultural Districts: SoMa Pilipinas, and the Leather and LGBTQ Cultural District;

- Clearly identify how new clients and/or audiences will be acquired and existing beneficiaries served effectively by the proposed space. This includes administrative or office space, with a focus on retaining or engaging historically-underserved communities;
- Demonstrate a capacity to provide services according to the Department of Public Health's COVID-19 safety guidelines;
- Demonstrate support for their efforts from multiple sectors (e.g., partnerships with education, local businesses, excellence in volunteer engagement);
- Have an existing real estate option, and can ensure alignment with pending requests; and
- Demonstrate evidence of planning to identify and mitigate financial risk.

If you have any questions or comments about this request and/or the goals of this RFP, please email them to [CommDevRFP@sfgov.org](mailto:CommDevRFP@sfgov.org).



# PROJECT CRITERIA

Grant proposals must request funding for the monthly reimbursement of expenses related to the following project eligibility criteria:

## SoMa Property Acquisition and Rehabilitation Project

We have a total of \$3,000,000 in SoMa Community Stabilization funds available to support the acquisition or rehab construction of a community facility or facilities that:

- Serves low and moderate-income SoMa residents through established, ongoing and sustainable nonprofit service programs;
- Is or will be owned by a nonprofit organization;
- Has programs sustained through diverse, dependable funding streams;
- Has programs open to the general public during normal hours of operation; and
- Can demonstrate its ability and commitment to make a significant measurable impact through serving large numbers of people over a sustained period of time.

In addition to property acquisition and rehabilitation costs, eligible expenses also include certain non-construction costs, such as architectural, design and engineering services, permit fees, project management, environmental review, and legal and special inspection services. MOHCD will not fund any projects seeking only pre-development funding.

All MOHCD-funded properties are deed restricted for nonprofit use. A deed of trust and use restriction will be recorded as a lien on the property to ensure projects maintain nonprofit services at the project site for at least 30 years (“tenure period”). MOHCD has approval rights for any lease executed during the 30-year tenure period.

Grantees will be expected to comply with the grant terms throughout the 30-year tenure period. Compliance will be determined by MOHCD at its sole discretion. MOHCD alone will determine remedies for non-compliance, up to and including full recovery of the grant.

Grantees are required to submit annual audited financial statements for the property, as well as annual rent rolls if the organization leases space in the building.





# PROJECT CRITERIA (cont.)

If your grant award is supplementing other City funding, the award must not result in total City funding exceeding 75% of the total costs of the project (up to \$2 million), and 50% of the portion of the project that is in excess of \$2 million.

If an organization is selling a property in San Francisco and using the proceeds to purchase a new property in San Francisco, the grant will be prorated based on the increased square footage. If the acquisition results in a reduction in square footage, the organization is ineligible to apply for funding.

Expenses considered ineligible for these funds include:

- General administration
- General maintenance
- Painting
- Telecommunication systems
- Furnishings
- Sidewalk repair
- Tree pruning
- Drain cleaning
- Moveable equipment
- Inspection and re-certification of alarm systems

Once a grant agreement has been executed, all grant requirements must be met, and the grant must be closed and spent down within seven (7) months.

To receive funds, grantees must meet all of the following criteria:

- The project's proposed development budget must conform to real estate industry standards for acquisition and development costs per square feet and include a contingency;
- Provide a sources and uses budget inclusive of all project costs, including a detailed construction budget (if applicable) and a viable financing plan to complete the project;
- Provide evidence of sufficient funding to complete the acquisition;
- Provide an operating budget that includes reserves sufficient to ensure the long-term viability of the project;
- Provide evidence of completion of relevant due diligence (e.g., appraisal, environmental reports, physical needs assessment); and
- Demonstrate 100% Board giving as a pre-disbursement requirement.



# PROPOSAL INSTRUCTIONS

If you meet the Eligibility criteria (see page 6), you are welcome to submit a grant proposal. If you have any questions, please email them to [CommDevRFP@sfgov.org](mailto:CommDevRFP@sfgov.org).

Here are the instructions for submitting a proposal:

1. You must email your proposal to MOHCD. Send your complete proposal packet to [CommDevRFP@sfgov.org](mailto:CommDevRFP@sfgov.org). Emailed proposals will be determined as undelivered and non-responsive if the email is time-stamped at 5:01 p.m. (or after) on the submission deadline date. It is the responsibility of applicants to ensure email delivery prior to the submission deadline.
2. Your proposal packet must consist of the following information:
  - Proposal Cover Sheet
  - Board of Directors and Management Team Roster
  - Proposal Narrative (see page 13)
  - Project Budget Worksheet
  - Three-Year Organizational Operating Budget
  - Fully-Executed Purchase and Sale Agreement, or Letter of Intent
  - Memorandums of Understanding (MOUs), or Service Contracts
  - Audited Financial Statements, or IRS Form 990s, for each of your most recent three fiscal years
  - City contractors participating in the City's joint monitoring process must submit copies of their Fiscal and Compliance Monitoring Reports for the past three years.



# PROPOSAL INSTRUCTIONS (cont.)

3. The Proposal Cover Sheet and Project Budget Worksheet are posted in Word and Excel formats, respectively, on <https://sfmohcd.org/community-development-funding-opportunities> for your convenience.
4. The Board of Directors and Management Team Roster must include brief bios that highlight each member's programmatic, financial and management expertise.
5. For your Project Budget Worksheet, include budget items for both your grant proposal and your full project. This sources and uses budget should include estimates for any planned predevelopment and renovation expenses. If the property acquisition is part of a larger project and another entity is the developer, a budget for the entire development is also required. Developer fees, if applicable, must be consistent with the maximum allowed by other funding sources in the budget. The budget must include a contingency. Contingencies vary from 10% to 20% depending on the type and scale of the renovation. The industry standard is 15%.
6. For your Three-Year Organizational Operating Budget, include ongoing operating expenses related to the acquisition, capital reserve contributions, and debt service payments (if applicable).
7. For your MOUs, provide up to three community partnerships and collaborations across multiple sectors (e.g., public/private partnerships, strong volunteer base, use of pro bono resources). Letters of support will not be considered documentation of a partnership.



# PROPOSAL NARRATIVE

8. For your Proposal Narrative, please answer the following questions. Your answers should not exceed 12 total pages, or 6 double-sided sheets of paper. We will not accept any handwritten narratives. Font size must be at least 12 point. Pages must be standard 8-1/2" by 11".

- Describe your project, including which service programs will benefit from it, when the sponsor acquired the parcel(s), any previous requests for City financing, and any attempts to secure other financing.
- Describe your organization's mission, service programs and impact, including how long you have been serving the SoMa neighborhood. How have you prioritized service to low-income and historically-underserved communities of SoMa, including representation of and engagement with SoMa's Cultural Districts?
- How will this project help your organization expand its reach in SoMa by serving new clients and/or audiences and ensure that existing beneficiaries will be better served by the proposed space?
- How has your organization contributed to racial equity and inclusion for historically-underserved populations? What is your plan to ensure that all residents, particularly Black and Brown SoMa community members have access to essential services and resources?
- What impact will a successful project have on your existing beneficiaries, new clients and the SoMa neighborhood as a whole? How will the project stabilize SoMa residents?
- What makes your organization uniquely qualified to operate a space that can serve as a neighborhood hub for delivering services to youth, families and seniors in SoMa?
- What changes has your organization made to shift its service provision in light of the pandemic? Are you able to provide services according to the Department of Public Health's COVID-19 safety guidelines? If a renovation project, applicants must also demonstrate that designs will be implemented in accordance with DPH guidelines for social distancing and safety.



# PROPOSAL NARRATIVE (cont.)

- List the neighborhoods (by zip code) served by the programs(s) benefitting from your project, and provide the number and percentage of clients served annually from each neighborhood. Please provide any demographic client data that can demonstrate your organization's commitment to racial equity.
- Describe how your organization receives feedback from program beneficiaries to inform its operations and governance. How does your organization incorporate feedback from the broader SoMa community into its programming?
- Describe how the proposed acquisition and any anticipated renovations will contribute to improved financial and programmatic performance, including the need to complete the proposed acquisition within the next 6 to 9 months.
- Provide a development timeline that demonstrates your ability to complete the acquisition by March 2022 and supports the proposed construction start date. If planning approvals are needed for the intended use, the estimated dates for approval should be incorporated into the timeline.
- Provide a fundraising plan or strategy to raise any uncommitted funds included in the project budget. The fundraising plan should include the following components: fundraising team, feasibility analysis showing the ability to raise the funds, timeline for raising funds, and status of pledges/commitments to-date. If the applicant plans to lease space to a nonprofit tenant, a financing plan showing the tenant's strategy to raise funds to complete the tenant improvements will be required.
- List the current members of the project team along with a description of their relevant experience and credentials.
- Describe the financial stability of your organization and project by highlighting the absence of any significant unplanned operating deficit, a positive fund balance, and/or meaningful cash reserves over the last three consecutive years.



# SCORING

Grant proposals that meet our Eligibility criteria (see page 6) will be scored, ranked and receive a funding recommendation based on their ranking. Proposals that do not satisfy the Eligibility criteria will be determined as non-responsive to this RFP and will not be further reviewed.

Eligible proposals will be read and scored by reviewers with relevant programmatic expertise. Each reviewer will use a scoring rubric to assign a preliminary score between 0 and 100 points to each proposal they read. The point value of each section in the scoring rubric is below.

MOHCD will average the preliminary scores for each proposal to generate a final score. Proposals with a final score of 70 points or higher will be considered fundable.

Proposal Section	Point Value
Project Design	50
Organizational Capacity	30
Project Budget	20



# TIMELINE

We are committed to providing as much clarity as possible during this RFP process. Submit your questions about the RFP in writing to [CommDevRFP@sfgov.org](mailto:CommDevRFP@sfgov.org), or at the optional Pre-Submission Workshop. We will publish all questions and answers by Wednesday, November 25, 2020. The following dates are estimates and may be subject to change.

RFP Issued	Thursday, November 12, 2020
Pre-Submission Workshop (optional) <i>(via Microsoft Teams)</i>	Wednesday, November 18, 2020 3:30 p.m. to 5:00 p.m.
Question Submission Period Ends	Monday, November 23, 2020 at 5:00 p.m.
Answers to Questions Posted	Wednesday, November 25, 2020
Proposals Due	Thursday, December 3, 2020 at 5:00 p.m.
Non-Responsive Proposals Notified	Monday, December 7, 2020
Grant Award Letters Sent	Late February or early March 2021
Appeal Period Ends	5 business days after grant letters sent



# APPEAL PROCEDURE

Proposals will be determined as non-responsive if they are incomplete, undelivered, or do not meet the Eligibility Criteria (see page 6). If MOHCD determines a proposal to be non-responsive, applicants will be informed. Applicants may appeal a determination of non-responsiveness to this RFP by submitting written notice to MOHCD setting forth the grounds for the appeal by no later than five (5) business days after receiving MOHCD's determination.

If your proposal was not selected for an award after the scoring process, MOHCD will inform you. If you disagree with our decision, you may file a formal appeal within five (5) business days of the award announcement. We must receive the appeal on or before the fifth business day.

We will only accept appeals of non-responsiveness or an award decision via email. The appeal must include a written statement of each of the grounds for appeal. An individual authorized to represent the respondent must sign the appeal.

The appeal must cite all applicable laws, rules, procedures or provisions that we did not follow faithfully, as documented in this RFP. The appeal must specify facts and evidence enough for us to determine its validity. Disagreements about program quality or value do not constitute grounds for appeal.

You must submit your appeal to [CommDevRFP@sfgov.org](mailto:CommDevRFP@sfgov.org). You bear the risk of non-delivery within the deadlines specified.

A panel selected by MOHCD will review all eligible appeals, and the panel decisions will be final. If necessary, MOHCD will schedule a meeting with the respondent within ten (10) calendar days of receiving the appeal. We will attempt to resolve the appeal during this meeting.

Failure to object or appeal in the manner and within the times set forth above will constitute a complete and irrevocable waiver of any appeal of MOHCD's decision.





# REFERENCES

- <sup>1</sup> MOHCD 2020-2024 Consolidated Plan
- <sup>2</sup> Nonprofit Displacement Report, issued by MOHCD, May 2014
- <sup>3</sup> Central SoMa Plan, SF Planning Department, December 2018



Mayor's Office of Housing &  
Community Development (MOHCD)  
[www.sfmohcd.org](http://www.sfmohcd.org)

# **SOUTH OF MARKET STABILIZATION FUND**

## **BACKGROUND & STRATEGIC PLAN**

### **The SoMa Community Stabilization Fund**

In August 2005 the Rincon Hill Area Plan was approved, effectively rezoning the area (generally bounded by Folsom Street to the north, the Embarcadero to the east, Bryant Street and the north side of the Bay Bridge to the south, and Essex Street to the west) for residential development. The San Francisco Board of Supervisors approved an amendment to the Planning Code (Ordinance 217-05), establishing the SoMa Community Stabilization Fund (the Fund). This legislation imposes a SoMa community stabilization impact fee on residential development in the Rincon Hill Area Plan to provide community stabilization benefits in SOMA including affordable housing, economic development and community cohesion. In addition, approximately \$6 million of the Rincon Hill Community Improvements Fund (\$11 per square foot), will be transferred to the Fund.

In concert with Ordinance 217-05, monies deposited in the Fund shall be used to address the impacts of destabilization on residents and businesses in SoMa including assistance for: affordable housing and community asset building, small business rental assistance, development of new affordable homes for rental units for low income households, rental subsidies for low income households, down payment assistance for home ownership for low income households, eviction prevention, employment development and capacity building for SoMa residents, job growth and job placement, small business assistance, leadership development, community cohesion, civic participation, and community based programs and economic development.

### **Mayor's Office of Housing and the Community Advisory Committee**

The Board of Supervisors approved Resolution 162-06, requiring the Mayor's Office of Community Development (MOCD), now the Mayor's Office of Housing (MOH) to administer the Fund. The Ordinance also stipulates that there should be a SoMa Community Stabilization Fund Community Advisory Committee (the Committee), composed of seven members of the SoMa community, to advise MOH and the Board of Supervisors on the administration and expenditure of the Fund.

### **Mission and Vision**

The mission of the SOMA Community Stabilization Fund Community Advisory Committee is to stabilize the community and promote equity through funding recommendations and priorities that mitigate the impact of development.

Our vision is that populations most vulnerable to displacement in SOMA (individuals, families, businesses that serve and employ them, nonprofit organizations, community arts, and educational

institutions) are able to live, work and prosper in a neighborhood that is safe and culturally and economically diverse.

- All South of Market Neighborhood residents have access to information and can be involved in the decisions that affect their lives in the South of Market Community and beyond.
- All its residents, low-wage workers and small community- serving businesses can contribute to and benefit from the South of Market Community.
- Mutual respect and support is practiced by all in the South of Market Communities

### **Conditions and Causes**

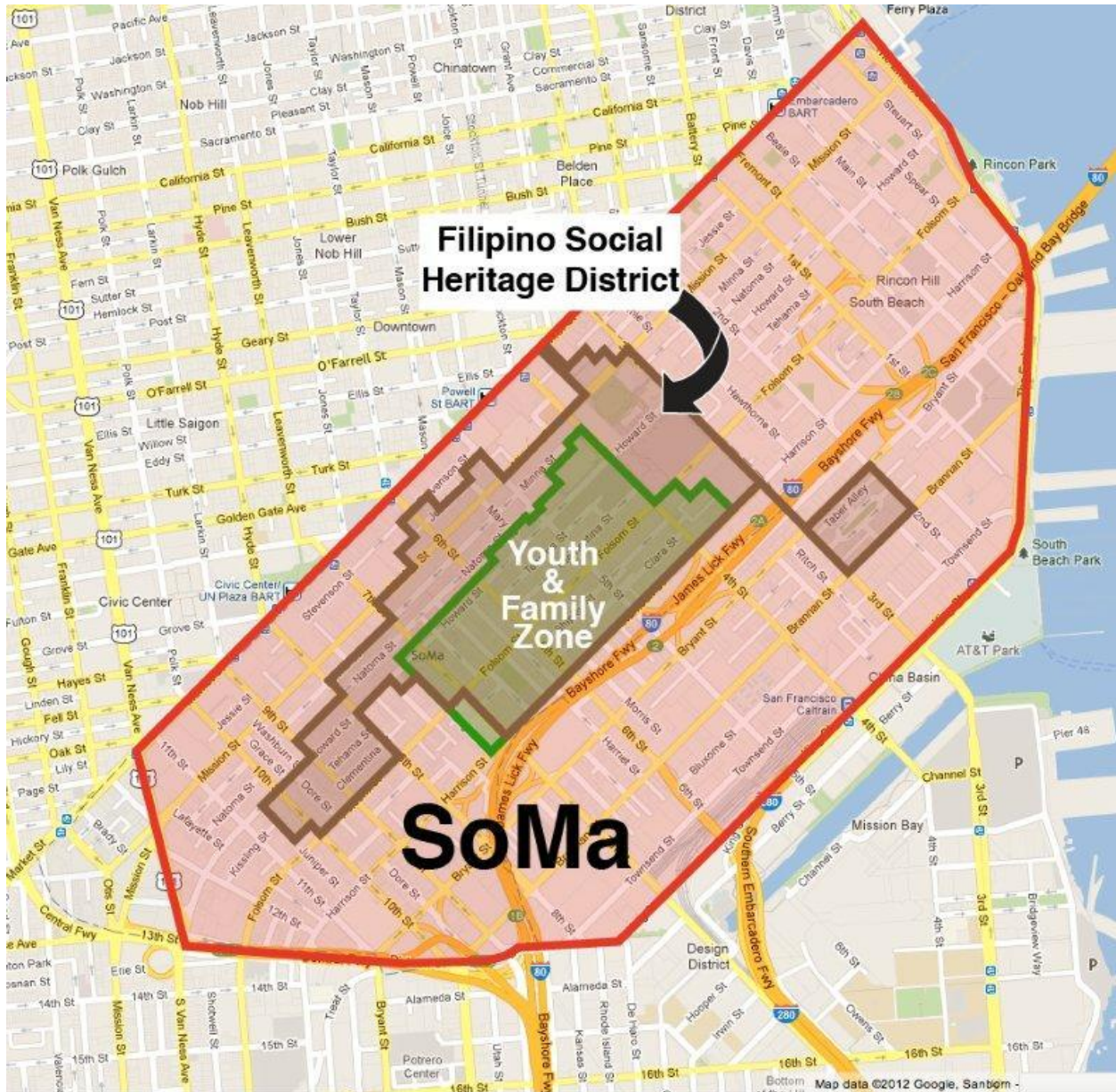
- The impact and aftermath of skyrocketing housing costs in the South of Market Community, exposed longstanding inequities and continues to destabilize vulnerable families and workers. Over the last decade the SOMA community has had and is expected to continue to have highest rate of real estate development in the City of San Francisco during the current decade.
- The South of Market Stabilization Fund is an important tool designed to focus on and support economic stability and choice for vulnerable community members.
- At core, the fund's long-term investments will address systemic inequity by helping vulnerable people have voice and input into policy decision-making and practice. These community voices will impact legislative and administrative policy with a particular focus on housing and income generation.
- The South of Market Community is a gateway in San Francisco for newcomers to the City of San Francisco as well as the United States. It is steeped in a strong cultural history and thriving culture expression. Significant community strength and connectedness can grow from culture.

### **Strategies**

- Grant making to organizations with a track record of success and/or a credible intent to promote equity, cultivate stability and support resident-led housing choice as well as strengthen the pathways to income growth
- Positioning the Fund and its Community Advisory Committee as an influential leader among local entities that provide resources and shapes public policy (local funders, business leaders, community college system, etc.)
- Promote infrastructure/forum and coordination among nonprofit organizational leaders.

## Priority Population and Geography

The Fund prioritizes small community serving businesses and low wage residents, particularly youth, families, seniors, and immigrants. While projects serving the entire SoMa area are eligible, the Fund prioritizes projects serving the overlapping impacted areas that include the Children, Seniors and Families Zone as well as the Pilipino Social/Cultural Heritage District.



## **Investment Objectives**

The Fund's investments are directed toward the following four areas:

- **Housing** – Increase access to perpetually affordable housing opportunities for existing residents of SoMa by investing in:
  - resident engagement and leadership development
  - services to provide information and preparation to successfully compete for affordable units
  - Invest in acquisition, rehabilitation and/or development of land and property (Leveraging of funds required)
- **Jobs and Income** – Support economic and workforce development for low income residents and community serving businesses by investing in:
  - employer cultivation
  - job preparation
  - income support through micro business
  - asset development
  - mentoring, leadership development and financial literacy programs for youth and families
- **Community Cohesion and Neighborhood Communication** – Strengthen community networks and infrastructure to build neighborhood unity, self-determination and equity in SoMa; Preserve the social heritage of the neighborhood by investing in:
  - local nonprofit community infrastructure development
  - neighborhood culture and arts that preserve existing neighborhood social heritage of the neighborhood
  - fostering resident connections across culture and income
- **Physical Infrastructure** - Improve the infrastructure and physical environment of the neighborhood by invest in:
  - Rehabilitation, acquisition and/or development of community facilities
  - Improvement of public spaces and outdoor facilities to promote cohesion among diverse groups in the neighborhood

## **Performance Measures**

- Jobs and community economic development strategy and CAC monitoring system in place;
- # of housing units leveraged (developed as well as accessed by priority community members);
- # of small business expansions and stabilizations;
- # of public policy engagements that produce positive results consistent with the plan;
- Community-led grantee infrastructure to promote collective policy work; and
- \$ the Fund is able to grant directly and/or influence other grantors to contribute.

### Indicators of Success

- South of Market **priority stakeholders**, vulnerable residents, low-wage workers and small businesses are able to **access information to improve their long-term financial condition**.
- Organizations that seek community stabilization and economic well-being for community members will **have connected, (organization to organization) and developed an infrastructure** with the information sharing and resident leadership that is **recognized as a driver of positive change** by local government and key decision-makers.
- Current residents are prepared to **take advantage of housing opportunities** within the South of Market Community, if desired.
- **Policy impacts** of constituents seeking community stabilization and economic well-being consider development policy as well as local family and community policy.
- **Regional and local funders** will support organizations promoting community stabilization as the indicators described above.

**Mayor's Office of Housing and Community Development**  
City and County of San Francisco



**London N. Breed**  
Mayor

**Eric D. Shaw**  
Director

**TO:** Angela Calvillo, Clerk of the Board of Supervisors

**FROM:** Benjamin McCloskey, Deputy Director Mayor's Office of Housing and Community Development

**DATE:** January 19, 2021

**SUBJECT:** Expend Resolution for SOMA Community Stabilization Funds  
West Bay Capital Acquisition - \$3,000,000

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Attached please find the original and 2 copies of each of the following:

- Proposed resolution; original signed by Department, Mayor, Controller
- Expenditure budget
- Project RFP

Departmental representative to receive a copy of the adopted resolution:  
Name: Benjamin McCloskey

Phone: 701-5575  
Interoffice Mail Address: Benjamin.McCloskey@sfgov.org  
Certified copy required Yes  No

(Note: certified copies have the seal of the City/County affixed and are occasionally required by funding agencies. In most cases ordinary copies without the seal are sufficient).



## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 210082

Bid/RFP #:

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Claudine del Rosario	415-613-4854
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
MYR Mayor's Office of Comm. Dev.	claudine.delrosario@sfgov.org



5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> West Bay Pilipino Multiservice Center	<b>TELEPHONE NUMBER</b> (415) 431 - 6266
<b>STREET ADDRESS (including City, State and Zip Code)</b> 175 7th Street	<b>EMAIL</b> Carla@westbaycentersf.org

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b>	<b>FILE NUMBER (If applicable)</b> 210082
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$3,000,000		
<b>NATURE OF THE CONTRACT (Please describe)</b> Capital acquisition & build out for new non profit space for West Bay Pilipino Multi-Service Center, a nonprofit organization located in and serving the South of Market neighborhood.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Jopanda	Genevieve	Board of Directors
2	Delgado	Rebecca	Board of Directors
3	Nocos	Reuben	Board of Directors
4	Gamez	Nimfa	Board of Directors
5	Asenloo	Elienoemi	Board of Directors
6	Novero	Ester Aure	Board of Directors
7	Laurel	Carla	CEO
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**9. AFFILIATES AND SUBCONTRACTORS**

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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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