File No. 131095

Committee Item No. <u>3</u> Board Item No. _____3

COMMITTEE/BOARD OF SUPERVISORS

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 Completed by:
 Erica Major
 Date
 May 4, 2018

 Completed by:
 Erica Major
 Date

May 1, 2014

Naomi Kelly Office of the City Administrator 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4849

Dear Naomi,

We are writing to you today on behalf of the Market Street for the Masses Coalition (MSMC), a collective voice for community organizations and neighborhood residents in the Mid-Market, Tenderloin, and South of Market neighborhoods which formed in 2012 in response to the significant development in the Mid-Market area.

MSMC is committed to working to ensure that the development in the area benefits residents and serves the existing community by:

- Supporting policies that mitigate the displacement of residents, community organizations, nonprofits, and neighborhood businesses.
- Promoting the hiring of local residents for jobs that become available.
- Creating partnerships among companies moving to the area, community organizations, and the City that are based in collaboration and accountability.

We wanted to thank you for your efforts this past year to improve the CBA process by:

- 1. Developing a consistent meeting schedule for the Citizens' Advisory Committee (CAC).
- 2. Assigning a consistent room for the CAC meetings.
- 3. Giving the community a seat at the table during the CBA negotiations by allowing the CAC leadership to be present.

We would like to continue to work with your office this next year to achieve even greater transparency, clarity, and community involvement in the CBA process by focusing on the following areas:

1. Ensure timely and complete documents for meetings, including agendas, public notices, minutes, draft CBAs, and additional documents. Ideally documents would be provided one week in advance, but no later than 72 hours before a meeting, per the Sunshine Ordinance.

ABD Productions	[freespace]		
AIDS Housing Alliance	The Gubbio Project		
Catholic Charities CYO	Hamilton Family Center		
Coalition on Homelessness	Hospitality House		
Community Housing Partnership	Larkin Street Youth Services		
Compass Family Services	North of Market/Tenderloin Community Benefit Corporation		
CounterPULSE	Shih Yu-Lang Central YMCA		
Curry Senior Center	Saint Francis Living Room		
De Marillac Academy	Senior & Disability Action		
DISH (Delivering Innovation in Supportive Housing)	SOMCAN (South of Market Community Action Network)		
Episcopal Community Services	St. Anthony Foundation		
Eviction Defense Collaborative	Tenderloin Neighborhood Development Corporation		
Faithful Fools Street Ministry	Veterans Equity Center – Bill Sorro Housing Program		

- Schedule a longer timeline for CBA negotiations to allow the community to have meaningful input into the process. We recommend that this include separate tracks for renewing companies and new companies. We recommend that renewing companies begin the process no later than September, allowing appropriate time for due diligence.
- 3. Include the community in developing a clear set of standards for upcoming negotiations that include measurable outcomes and a standard for reinvestment.
- 4. Establish a concrete timeline to monitor the performance of companies in achieving their CBA benchmarks (i.e. mid-year CAC hearings with each company, a spreadsheet that tracks performance, etc.). Publish an end-of-year report rating the successfulness of each company in meeting the CBA requirements.
- 5. Create an effective on-boarding process for new CAC members, including a briefing on responsibilities and applicable procedures.
- 6. Develop better coordination with other city departments working on Central Market development (i.e. Nexus studies from OEWD, Better Market Street Project, Planning Department) to provide meaningful context and information to the CAC.

We would like to set up a meeting to discuss your plan for achieving these items and will contact you soon to follow up. Again, thank you for the steps you have taken to improve the process thus far. We look forward to continuing our work this year.

Sincerely,

Cc:

Mul

Mike Anderer De Marillac Academy MSMC Co-Chair (415) 552-5220 x21

Jour Jenn

Jackie Jenks Hospitality House MSMC Co-Chair (415) 749-2113

Mayor Edwin M. Lee Supervisor Jane Kim, District 6 Peter Masiak, Citizens' Advisory Committee Robert Marquez, Citizens' Advisory Committee

Market Street for the Masses Coalition (MSMC) is a collective voice for community organizations and neighborhood residents in the Mid-Market, Tenderloin, and South of Market neighborhoods which formed in 2012 in response to the significant development in the Mid-Market area.

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- Promoting the hiring of local residents for jobs that become available.

• Creating partnerships among companies moving to the area, community organizations, and the City that are based in collaboration and accountability.

Our member organizations include:

- ABD Productions
- 6 AIDS Housing Alliance
- Catholic Charities CYO
- Coalition on Homelessness
- Community Housing Partnership
- **Compass Family Services**
- **CounterPULSE**
- Curry Senior Center
- De Marillac Academy

- DISH (Delivering Innovation in Saint Francis Living Room Supportive Housing)
- Episcopal Community Services
- Eviction Defense Collaborative
- Faithful Fools Street Ministry
- [freespace]
- The Gubbio Project
- Hospitality House
- Larkin Street Youth Services
- North of Market/Tenderloin Community Benefit Corporation

Who We Are

- Senior & Disability Action
- Shih Yu-Lang Central YMCA
- SOMCAN (South of Market Community Action Network)
- St. Anthony Foundation
- Tenderloin Neighborhood Development Corporation
- Veterans Equity Center Bill Sorro Housing Program

As companies entering into Community Benefits Agreements (CBAs) with the City and County of San Francisco, we know you want to make the greatest impact possible. MSMC has heard requests from CBA companies for more detailed ideas about how to optimize your contributions, and we have developed a variety of opportunities for investment and engagement.

We respectfully ask that all CBA agreements contain all of the following four items:

Investment Opportunity:

• Invest annually in a local **Tenderloin /Mid-Market Community Stabilization and Acquisition Fund**, which is being developed to mitigate displacement of residents and neighborhood-serving organizations.

Engagement Opportunities:

• Participate in one collaborative **Community Impact Project**. These projects require collaboration between more than one CBA company and more than one community organization. They are broad in scope and are generally longer-term projects. Participation includes dedicating resources to both planning and implementation, and we anticipate collaborative funding models that include private and public partnerships.

Two possible Community Impact Projects to be presented include *Bridging the Digital Divide: Free Internet Access for the Tenderloin and SOMA* and *Improving Health for SRO Tenants through In-Unit, Nutritious Meal Preparation Capabilities.* We encourage the development of other projects.

- Require two Neighborhood Integration Activities in the on-boarding process for all employees. Because many employees and senior-level management staff are being hired to work in a neighborhood in which they have not previously lived or worked, we would like every employee to participate in at least two neighborhood integration activities within their first two years of employment.
- Consult MSMC's **Organizational Project List** for suggested projects that will promote meaningful engagement, including volunteer opportunities, funding for small projects, board membership, and others.

Thank you for taking the time to meet with member organizations of MSMC and for considering the components outlined above in your future Community Benefits Agreements. MSMC will support any CBA that includes meaningful investments through these four categories.

> Suggested Framework for CBA Development

Problem: San Francisco is experiencing another housing price boom, causing rapid rent increases, evictions and displacement, especially among lower-income households, small businesses and community-based nonprofit organizations (nonprofits). With limited supply of space and continuously increasing demand, real estate and rent prices will continue to increase beyond what's affordable for lower-income individuals, local businesses, and nonprofits that provide social, financial and cultural services. This problem is particularly acute in the Tenderloin/Mid-Market area.

Solution: Enabling community-based, nonprofits to purchase and own real estate for office space, affordable housing, small business and cultural use is a sustainable strategy for stabilizing the city's diverse economic base and reducing the risk of displacement. Traditionally, the public sector has provided low-cost financing for nonprofits to acquire real estate. However, to compete in today's market, buyers must be able to access capital and close the transaction within 90 days.

Because public funding cannot be released fast enough to help nonprofits compete in the current real estate market, there is a need for private capital to bridge the gap. Just as lower income homebuyers need "down payment assistance" to buy real estate in San Francisco, nonprofits will need "down payment assistance" for acquiring real estate. Grants, combined with low-cost financing from the public and private sectors, will enable nonprofits to "own" more of San Francisco, thereby stabilizing the lower income communities they serve.

Proposal: A Tenderloin/Mid-Market Community Stabilization Fund (Fund), capitalized with \$25,000,000 in private donations in 2014, will enable nonprofits to leverage public and private financing to secure acquisition of at least 5-10 properties before prices increase. The Fund will act as a vehicle for the rapid deployment of grants to enable nonprofits to get ahead of the market.

The Fund can be administered by a Community Development Financial Institution (CDFI) and an advisory board of representatives of the companies that invest in the fund. This will help ensure that the grants are issued rapidly and that the investors have an opportunity to be involved in the process.

The Fund is a direct, tangible and entrepreneurial response to the displacement that is being cause by increasing real estate costs in the Tenderloin/Mid-Market area. We request that the companies operating in this area contribute to the fund and use their influence to solicit other contributions. We also ask your assistance in building public support for City run low-cost loan fund that would support these efforts.

Possible Uses of the Fund: The grants made by the Fund will be used to purchase property and leverage public and private financing. Some examples of the grants might be used include:

"Recoverable grants" can be made to nonprofits for a feasibility analysis prior to acquisition, which can be repaid from the acquisition financing if the purchase is successful.

Recoverable and/or direct grants to partially cover the cost of purchasing small sites.

Grants to cover the holding costs for properties that have been purchased and are awaiting permanent financing.

·Grants can be made to cover closing costs of purchasing properties.

-Grants to enable "green rehab" or energy-efficient renovations to the building including solar panel installation, new windows, water heaters and appliances.

Tenderloin/Mid-Market Stabilization & Acquisition Grant Fund

Bridging the Digital Divide: Free Internet Access for the Tenderloin and SOMA

Needs Statement:

Low-income families with children, students of all ages (K-12, college, etc.), seniors, homeless shelter clients, residents of SROs—all of these people living in the Tenderloin and SOMA fit the demographics of those who most need access to the internet but have the least access. Free Internet in these two neighborhoods would allow those most in need to access education, social services, job resources, and much more. The need has been rated as a high priority for residents in these two neighborhoods— those living in shelters, in SROS, etc. all see this as one of the most important resources that they need and struggle to have access to.

Project Description:

The goal of this project would be to make sure that all residents of the neighborhood have access to quality, stable, high-speed Internet. It will require an assessment of current infrastructure and a plan to upgrade infrastructure.

Potential Collaborative Partners:

This project will require technical and policy leadership along with provider collaboration. Partners should include providers (Comcast, AT&T, etc.), Tech company partners, resident input, and community organizations representing the needs of shelters, SROs, senior housing, and families with school age children.

Key Questions:

What are the technical barriers to providing stable access to large numbers of residents?
 Who can/should address key policy questions about access (should it only be available inside qualified structures, ie, shelters, SROs, and low-income housing? Should it be available on the street?)
 Should access be provided via municipal WiFi or broadband with building by building access?
 How should infrastructure improvement be funded?

5) Who should be responsible for maintaining/providing the service in the long-run?

Next Steps:

1. Develop the collaborative team of public, private, and non-profits

2. Develop the strategic plan for addressing key questions and implementation

Community Impact Project #1

Improving Health for SRO Tenants through in-unit, nutritional meals preparation capabilities

Needs Statement:

One-quarter of San Franciscans, and 46% of the residents of District 6, encompassing the Tenderloin and South of Market neighborhoods, are food insecure. Among them are District 6 SRO residents, most of whom lack in-room basic meal preparation capacity. (Nearly 6,500 units in the District lack complete kitchens.) Use of microwaves and hot plates in SROs often is restricted due to inadequate electrical wiring. Instead, tenants must tax the emergency food safety net by eating at free dining rooms, or consume less nutritious pre-prepared meals or skip meals altogether. Further, many tenants report not knowing how to prepare meals, what constitutes a healthy diet and how to improve their eating habits. When people are unable to routinely consume nutritious food, poorer health results, with increased risk of depression, poor mental health and chronic disease.

Project Description:

We seek assistance to:

- upgrade electrical systems at SRO sites, allowing safe and efficient operation of EdgeStar or similar quality microwave-refrigerator combo units and slow cookers;
- provide those appliances to tenants with cabinetry;
- offer quarterly training and encouragement to utilize in-room equipment for the production of easy, fresh and nutritious meals.

This is a scalable project - the greater the resources available, the more units that can be improved.

Funding sources could include a private/public partnership including the property owners, the San Francisco Human Services Agency (for buildings it supports), health and hospital foundations, and CBA companies.

Contributions toward this project could be distributed as proposed here via a Request for Proposal process to those for profit and not-for-profit landlords or nonprofit lease-holders interested in improving their SRO units.

Private landlords could be required to reciprocate in some manner that supports the goals of the project in exchange for the investment in and improvements to their properties.

Success Indicators

Expected success indicators will include information that meals are being prepared at home, that there is decreased dependence on congregate meal sites, that residents are making fewer visits to medical providers, and that residents are experiencing an improved sense of physical and mental well-being.

Potential Collaborative Partners:

- CBA Companies
- San Francisco Food Security Task Force
- Owners of SRO Buildings
- Nonprofit services providers in SRO Buildings
- San Francisco Human Services Agency
- PG&E
- Leah's Pantry
- Hospital Foundations such as Dignity Health
- Nursing students (to help assess improved health indicators)

Key Questions:

- At what scale should this project be implemented?
- What is the blend of funding sources?
- How will funds be distributed?
- What reciprocity will be required of landlords for the investment in their properties?
- What outcomes will be expected?

Next Steps:

Develop a collaborative team of public, private and non-profit representatives to answer the key questions and complete the planning of this initiative.

Community Impact Project #2

Getting To Know You And You Getting To Know The Neighborhood

While there is much to be said for measuring the strength of the CBAs in terms of the amount of money and time dedicated to giving back, there is equally as much to be said for the CBAs creating avenues for collaboration and mutual respect. Relationships between both the individuals who work for CBA companies and the people/places of the Mid-Market area are critical to the successful development of this part of San Francisco.

We are asking that each CBA contain a section which commits not money, but time and willingness to know the history, places, and needs of these two neighborhoods. Here is how we would see this commitment playing out:

- Every new hire will be required to complete two Neighborhood Integration Activities in the first year of employment.
- All current employees will complete at least two Neighborhood Integration Activities in the year of the CBA.
- All mid-level and senior level management will complete at least three Neighborhood Integration Activities within two years of this CBA cycle.

We suggest a range of activities to account for interest, time availability, and comfort levels with the economic/social realities of the neighborhood. However, we do strongly recommend that these activities require more than attendance at an event. Engagement should be deeper and at least offer the opportunity for engagement with the issues which make these neighborhoods challenging and enriching. Some activities require a 2 hour commitment, some a 20 hour commitment—NERT training (for example) prepares people to serve in the case of catastrophic emergencies and requires a deeper commitment than a walking tour—so this section might be framed as a number of hours of engagement or a number of activities as each company sees best fitting its employees and commitment to the community.

Example Activities—a few of the many that are available:

- Del Seymour's Tenderloin Walking Tour
- · Faithful Fools Street Retreat
- · St. Anthony's Volunteer Orientation Program
- · NERT (Neighborhood Emergency Response Team) Training
- · Hospitality House Talking Tech in the Tenderloin Roundtable
- De Marillac Academy & The Gubbio Project Orientation to Golden Gate Avenue
- · Hamilton Family Center Presentation about Children in the Neighborhood
- · Learn & Serve at the Canon Kip Senior Center

Neighborhood Integration Activities

Attached is a list of projects submitted by member organizations of Market Street for the Masses Coalition. Projects range in scope and type and include volunteer opportunities, funding for special projects, board membership, and others. We encourage CBA Companies to consult this list when looking for meaningful ways to impact individual organizations in the Mid-Market, Tenderloin and South of Market neighborhoods.

INTRODUCTION FORM

By a member of the Board of Supervisors or the Mayor

Meeting Date I hereby submit the following item for introduction: 1. For reference to Committee: An ordinance, resolution, motion, or charter amendment 2. Request for next printed agenda without reference to Committee 3. Request for hearing on a subject matter at Committee: Land Use & Econ. Development 4. Request for letter beginning "Supervisor inquires..." 5. City Attorney request 6. Call file from Committee 7. Budget Analyst request (attach written motion). 8. Substitute Legislation File Nos. 9. Request for Closed Session 10. Board to Sit as A Committee of the Whole 11. Question(s) submitted for Mayoral Appearance before the BOS on Please check the appropriate boxes. The proposed legislation should be forwarded to the following: Youth Commission Small Business Commission **Planning Commission** Ethics Commission **Building Inspection Commission** Note: For the Imperative Agenda (a resolution not on the printed agenda), use a different form.] Sponsor(s): Supervisor Kim Subject: Report by Central Market/Tenderloin Citizen's Advisory Committee regarding Community Benefit Agreements required under the Central Market Street/Tenderloin Area Payroll **Expense Tax Exclusion** The text is listed below or attached: Hearing to provide a report regarding the implementation and execution of the Community Benefit Agreements (CBAs) called for under the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion, including an overview of the benefits provided to the community and any unmet needs to date; recommendations to the Board of Supervisors on the issues and needs currently confronting the community; and advice regarding policies and/or programs to address these needs that may be incorporated into the CBAs.

Signature of Sponsoring Supervisor:

For Clerk's Use Only:

Common/Supervisors Form

Revised 05/19/11 13/095

Time Stamp or

INTRODUCTION FORM

By a member of the Board of Supervisors or the Mayor

Time Stamp or Meeting Date

I hereby submit the following item for introduction:

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	4.	Request for letter beginning "Supervisor inquires"		
	5.	City Attorney request		
	6.	Call file from Committee		
	7.	Budget Analyst request (attach written motion).		
	8.	Substitute Legislation File Nos.		
	9.	Request for Closed Session		
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	S	mall Business Commission		
П		thics Commission I Planning Commission		
П		uilding Inspection Commission		
Note:		the Imperative Agenda (a resolution not on the printed agenda), use a different form.]		
Spons	or(s): Supervisor Kim		
Subject:		Report by Central Market/Tenderloin Citizen's Advisory Committee regarding Community Benefit Agreements required under the Central Market Street/Tenderloin Area Payroll Expense Tax Exclusion		
The te	xt i	s listed below or attached:		
Hearin	ig to	provide a report regarding the implementation and execution of the Community Benefit		

Agreements (CBAs) called for under the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion, including an overview of the benefits provided to the community and any unmet needs to date; recommendations to the Board of Supervisors on the issues and needs currently confronting the community; and advice regarding policies and/or programs to address these needs that may be incorporated into the CBAs.

Contraction of the

Signature of Sponsoring Supervisor:

For Clerk's Use Only:

Common/Supervisors Form

Revised 05/19/11