

Exhibit A: Executive Summary

McCormack Baron Salazar

ExA_Executive_Summary.doc

Exhibit A. Executive Summary. The Eastern Bayview/Alice Griffith Comprehensive Transformation Plan (Transformation Plan or Plan) will result in a vibrant mixed-income neighborhood that will enhance all residents' quality of life. The Plan focuses on the southeastern San Francisco community known as Eastern Bayview (the Neighborhood), which includes the targeted Alice Griffith site, a severely distressed public housing development, and its surrounding neighborhood. Encompassing the complete transformation of Alice Griffith and leveraging existing neighborhood assets, the Plan will invest in housing, people and the Neighborhood. For the housing component, one-for-one replacement of the public housing units and development of additional LIHTC units will ensure that existing residents can remain in their community. Additional market rate, inclusionary and workforce units will also be developed as part of the Plan, for a total of 7,850 housing units across the Neighborhood. The people component includes investments in job training, education, healthcare, and aging services. Neighborhood improvements include transportation, retail, healthy food, commercial, recreation, and entertainment investments. These three combined components will empower residents to thrive and transform the Neighborhood into a livable, sustainable, healthy, educated, successful community.

Housing Component: The revitalization of Alice Griffith as a physically viable, financially feasible, 1,210-unit mixed-income community that enhances residents' quality of life is the core of the Plan's Housing Component. The transformation of Alice Griffith will proceed according to the aligned principles of HOPE SF, San Francisco's program for converting distressed public housing properties into vibrant, healthy communities (see Exhibit E.1). Alice Griffith's 256 units will be replaced one-for-one, and will be rebuilt along with 248 new LIHTC units. Another 382 market-rate, 43 inclusionary and 281 workforce units will also be built at the Alice Griffith site, creating a truly mixed-income program.

The Plan's Housing goals outside of Alice Griffith include the improvement of the existing

housing stock in the Eastern Bayview, new mixed-income and affordable development on Neighborhood infill parcels, and, as a long-term goal, the revitalization of Candlestick Point by CP Development Co, LP, as authorized in a Development and Disposition Agreement between the Agency and CP Development known as Candlestick Point-Hunters Point Shipyard Phase 2 (CP-HPS2). This newly realized community will include 6,640 housing units, of which 2,273 will be affordable or below-market rate, including 521 inclusionary units, 671 LIHTC units, and 509 workforce units.

People Component: Positive outcomes for Alice Griffith residents will be achieved through job readiness, training and placement programs, including the Agency's Job Readiness Initiative and San Francisco's Citybuild program. Additional economic development assistance will be provided through CP Development's contributions, including a Construction Assistance Fund, surety bond assistance program for local contractors, a Community Builder Program, and Workforce Program Fund. Improved access to health care will occur through expansion of the Neighborhood's Southeast Health Center and development of a senior center and aging campus.

Educational enhancements will occur through SFUSD's implementation of the Chicago turnaround model at the Neighborhood's three elementary schools, including fostering principal leadership, increasing teacher effectiveness, using data to drive instructional improvements and integrating education with wrap-around services via partnerships with family support nonprofits. Other efforts will include enhancing preschool programs that build age-appropriate skills and inclusion of a high-quality early learning center at the renovated Alice Griffith site.

Neighborhood Component: Outcomes will include transportation improvements; blight eradication and investment in existing and new housing stock; retail attraction through a Façade Improvement Program and Commercial Acquisition and Preservation Program; improved resident health through support for healthier food options; and support for greening improvements, such as recreational

improvements along the shoreline. At Candlestick Point, new commercial assets, job development, recreation assets and services will be added through CP-HPS2's extensive plans for retail/office/R&D development, 104 acres of parks/open space, and an entertainment arena.

Grant Applicants: McCormack Baron Salazar (MBS) is Lead Applicant and Housing Implementation Entity; San Francisco Housing Authority (SFHA) is Co-Applicant; San Francisco Redevelopment Agency (Agency) is a Principal Team Member and Neighborhood Implementation Entity; CP Development is a Principal Team Member; Urban Strategies is a Principal Team Member and People Implementation Entity; San Francisco Unified School District (SFUSD) is a Principal Team Member and Educational Implementation Entity; and the Mayor's Interagency Council is a Principal Team Member.

Primary Relationships and Means of Agreement: SFHA owns and has site control of Alice Griffith. It has worked for years with the Agency, Interagency Council, and the City on improving its most distressed properties, including Alice Griffith. The City, SFHA, and Agency have executed an Alice Griffith Revitalization MOU. To leverage the multiple benefits accruing as part of the CP-HPS2 program, including substantial subsidies for Alice Griffith's reconstruction, SFHA requested and received HUD approval for a sole-source procurement of CP Development as the redeveloper of Alice Griffith. Following this sole-source procurement approval, CP Development executed a joint-venture development agreement with MBS. SFHA subsequently approved an Exclusive Negotiating Rights Agreement with MBS and CP Development. CP Development also contracted with Urban Strategies for support services, case management, and neighborhood services liaison work. The Mayor's Interagency Council will work directly with Urban Strategies to assist in the provision of social services to the Neighborhood. Finally, SFUSD will be working with Urban Strategies and the Interagency Council to implement its goal for improvement of Neighborhood schools.

Requested Grant Amount: \$31 million.

Exhibit B.1: Partnership MOU Narrative - Lead Applicant, Co-Applicant,

and Principal Team Members

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ExB1_Partnership_MOU.doc

Exhibit B.1 Partnership MOU. The Transformation Plan partners are as follows: McCormack Baron Salazar, Inc. (MBS), Lead Applicant and Housing Implementation Entity; San Francisco Housing Authority (SFHA), Co-Applicant; the San Francisco Redevelopment Agency (Agency), Principal Team Member and Neighborhood Transformation Entity; CP Development Co., LP (CP Development), Principal Team Member; Urban Strategies Inc., Principal Team Member and People Implementation Entity; San Francisco Unified School District (SFUSD), Principal Team Member and Educational Implementation Entity; and the Mayor's Interagency Council, Principal Team Member. The MOU Partners are united in their commitment to revitalize the Eastern Bayview by implementing a comprehensive transformation of the Alice Griffith public housing site into a vibrant, mixed-income community of opportunity; redeveloping Candlestick Point; and reinvigorating the surrounding neighborhood.

As a Principal Team Member, the Agency provides extensive planning and implementation experience and specific knowledge of the Neighborhood. Pursuant to its role as the Neighborhood's local governmental planning authority, the Agency and Principal Team Member CP Development concluded years of detailed community planning in June 2010 with Agency Commission approval of a Development and Disposition Agreement (DDA) for the full transformation of Candlestick Point and the Hunters Point Shipyard areas into revitalized, mixed-use, and multi-faceted areas (CP-HPS2 Plan). The CP-HPS2 Plan includes the complete revitalization of Alice Griffith, and builds upon previously established goals set by and for the Neighborhood community, including improved housing opportunities, an improved transportation system, new job creation, better schools, and improved resident health and safety. CP Development will be responsible for the installation of entirely new infrastructure at Alice Griffith, the provision of construction subsidies for Alice Griffith's rebuild, and provision of extensive additional community benefits, such as a residents' scholarship fund, a

contribution toward a pediatric wellness clinic, and funding for job development programs, among other efforts.

Because CP Development's experience is primarily in market-rate housing, it has brought on two key development partners, MBS for Alice Griffith's physical redevelopment and construction program, and Urban Strategies to lead the People component of the Transformation Plan and focus on social services. Both MBS and Urban Strategies have developed extensive expertise in successfully converting distressed public housing and surrounding neighborhoods into vibrant, mixed-income communities (see Exhibits C.2 and C.3).

MBS, the Housing Implementation Entity, is also the Lead Applicant and will assume full responsibility for the day-to-day development work and asset management for the Transformation Plan activities (see Exhibit C.1).

In recognition of the strength of the development team and the many leveraged benefits it can bring to Alice Griffith, the Co-Applicant SFHA secured a sole-source procurement waiver from HUD, enabling Alice Griffith's reconstruction by CP Development and its partners. SFHA will continue its work with residents and team members throughout the process to help ensure the Transformation Plan's success.

Rounding out the partnership are two critical entities, both Principal Team Members: SFUSD and the Mayor's Interagency Council. Through its implementation of a rigorous core curriculum in all schools and grades in the Neighborhood, SFUSD's work will be essential to young residents' ability to take advantage of the employment opportunities the Transformation Plan will offer over the years. The Interagency Council, San Francisco's coordinating agency for social services in the City's southeast sector, will provide crucial assistance for the team by mobilizing the resources that are necessary to bring educational opportunities and social services to the Neighborhood's youth and families.

Exhibit B.2: Appropriateness of the Proposal

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ExB2_Appropriateness.doc

B.2 Appropriateness of the Proposal. Two alternatives to the Transformation Plan were considered for Alice Griffith: 1) rehabilitation and 2) replacement at the existing density.

1) Rehabilitation: A renovation of Alice Griffith is economically infeasible. SFHA's 2007 Immediate Needs Report produced a repair cost of \$57 million for Alice Griffith. This repair cost is 78% of HUD's Total Development Cost threshold, well over the 62.5% required for demolition approval.

Also, Alice Griffith's site layout and building design are inadequate, inefficient and unsafe for residents. Rehabilitation would perpetuate the deficiencies that contribute to Alice Griffith's distress.

2) Replacement: Although a complete rebuild of Alice Griffith's 256 units could address inadequate site layout and structural deficiencies of the buildings, this option is not feasible given the extremely high cost of construction in San Francisco and available affordable housing funding. Even while accessing all available, traditional sources of affordable housing funding, a gap in the replacement budget remains. Inclusion of market-rate housing at a higher density level fills this gap.

CP Development will contribute over \$40 million in construction subsidies and provide all new infrastructure for Alice Griffith. These commitments are only available as a function of the co-located market-rate housing that will provide cross-subsidies. In addition, market conditions also argue for rejection of Alternatives 1 and 2, as the mixed-income housing of the Transformation Plan responds to market demand and is crucial to the success of the project. The California Department of Housing and Community Development and the Association of Bay Area Governments set San Francisco's 2007-2014 fair share of the regional housing need of units affordable to households below 120% of AMI at 18,878, and units affordable to households above 120% AMI at 12,315. However, San Francisco's actual production of housing affordable below 120% of AMI averaged only 835 units per year between 2007 and 2009, and average annual market-rate production was only 2,026. Finally, anything less than a fully revitalized, mixed-income community at Alice Griffith would run counter to the City's and SFHA's policy objectives under HOPE SF.

Exhibit B.3: Separability

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ExB3_Separability.pdf

This Attachment is Not Applicable

Exhibit C.1: Overall Leadership Capacity of Lead Applicant

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ExC1_Leadership_Capacity.doc

Exhibit C.1 Overall Project Leadership Capacity of Lead Applicant. In the past 35 years,

McCormack Baron Salazar (MBS) has established itself as a leading developer in urban transformation anchored by mixed-income communities. MBS has led many comprehensive neighborhood transformation projects, managed and coordinated contracts, leveraged and managed public and private funding streams, and achieved measureable positive outcomes for housing, people, and neighborhoods. To date, MBS has closed 141 projects with development costs in excess of \$2.2 billion, including 15,143 housing units and over 1 million s.f. of commercial space. The scale of development MBS has initiated and completed has required detailed, substantial leadership and expertise. The two case studies below illustrate MBS' experience managing comprehensive neighborhood transformation projects of similar scale to the Transformation Plan for Alice Griffith.

1) Near Northside, Saint Louis, MO. 30 years ago, MBS joined residents, community leaders and public officials to create a comprehensive, long-term revitalization plan for St. Louis's Near Northside, with the goals of eradicating blight, creating jobs, reforming the public school system, and creating a new, mixed-income community including the reconstruction of distressed public housing. As lead developer, MBS was a key player in this effort, beginning with the management and coordination of the first O'Fallon Place development in 1982. In the subsequent years, MBS has rehabilitated a historic and abandoned brewery complex (Brewery Apartments), implemented a plan for mixed-income public housing (Murphy Park), and met the highest priorities identified by residents by providing senior housing (Cahill House), recreational space (Redbird Rookie Stadium), arts programming (Center for Creative Arts), and a quality neighborhood school (Jefferson School).

Contracts and Partnerships: MBS has overseen all aspects of the revitalization that is occurring in the Near Northside. In total, MBS has managed over \$158 million in contracts on the Near Northside. See Attachment 15 for contract details and amounts. None of this development would have been possible without MBS' skillful management of many stakeholders. MBS worked

effectively with the Carr Square, Cochran Gardens and Vaughn Tenant Management Corporations and resident groups; set the expectations of HUD, the city, the school district and the housing authority; enlisted the help of local foundations and non-profits; identified equity investors; supervised Community and Social Service (CSS) partners like Urban Strategies, and collaborated with all stakeholders to create the livable, walkable, inclusive community that is the Near Northside.

MBS has continually collected data from its partners, contractors, and implementers to inform its oversight and measure the outcomes of its efforts. For example, contractors must submit monthly status reports on Section 3 hiring, DBE contracting and other metrics. The COVAM CDC consists of local stakeholders, including the school and residents, and has monthly meetings at which all CSS efforts are measured and tracked. The CSS provider, Urban Strategies, meets with the principal of the school on a weekly basis to track progress. Urban Strategies gathered baseline data on residents and has followed with a survey every two years to measure outcomes.

Funding Sources: Investments in the Near Northside were made possible by public and private sources, including: HUD Capital and CFRC Funds; LIHTC; Historic Tax Credit and NMTC equity; CDBG; school district funds; Affordable Housing Assistance Program; the City's Affordable Housing Trust Fund; philanthropic sources; and private lenders. See Attachment 15 for funding amounts. At no point was any partnership in default under the terms of any funding source.

Outcomes: 1) Housing: The Near Northside has been transformed into a mixed-income, multi-generational neighborhood with over 1,300 units of rental housing for low, moderate and middle income families, including affordable for-sale homes, historic homes, and senior housing;

2) People: All development projects incorporated MBE, WBE and Section 3 participation goals, with Section 3 employment opportunities targeted to area public housing residents. For example, on Cahill House, a combination of MBE/WBE/Section 3 firms performed 36% of the work and 41 Section 3 employees worked on the \$10M construction project. Ongoing employment opportunities

are offered through the technology center in Jefferson Elementary and the summer youth employment program; 3) Neighborhoods: Before 1998, approximately 750 school-aged children in the area attended 60 different schools. These children all now attend Jefferson Elementary, participate in art and dance programs offered by the Center for Creative Arts, or are involved in athletic programs at the St. Louis Cardinals Care Redbird Rookie stadium.

Current Status: The Near Northside has been transformed into a vibrant, lively community centered on an enhanced school, with opportunities for people of all ages and from all walks of life.

2) Central City, New Orleans, LA. In 2007, Central City Partners (CCP), a team led by MBS with KAI Design+Build Architects, the New Orleans Neighborhood Development Collaboration (NONDC), and Urban Strategies, was selected by the Housing Authority of New Orleans (HANO) to revitalize the C.J. Peete public housing project and transform the surrounding Central City neighborhood. Before the transformation, C.J. Peete not only was one of the largest public housing projects in the city, it also had the highest murder rate. In 1998, HANO vacated most of the buildings. The residents of the remaining 144 occupied units were displaced following the floods from Hurricane Katrina, which severely damaged C.J. Peete and scattered residents. The revitalization of the C.J. Peete site and Central City has resulted in 460 mixed-income rental units, 50 affordable for-sale units, and the rebuilding of the neighborhood school (Woodson) and community center. The plan anticipates 150,000 s.f. of commercial space, including a grocery.

Contracts and Partnerships: In its role as developer, MBS is responsible for the implementation of all aspects of the Central City revitalization plan. In total, MBS has managed or is managing over \$226 million in contracts. See Attachment 15 for contract details and amounts.

The master planning process for the C.J. Peete transformation required communication, compromise, concessions, and, ultimately, consensus on a plan that returned needed affordable units, brought in necessary services and retail and met the needs of the residents, the City, agencies,

the State, HUD, HANO, investors, and other stakeholders in New Orleans. MBS employed a policy of open, honest communication with all stakeholders, established a steering committee of residents and stakeholders, and aimed for consensus in all major decisions.

Oversight of the transformation is informed through data provided to MBS by the construction contractors, an MBE/WBE consultant, Urban Strategies and case managers, and HANO through bi-weekly meetings and monthly reports. Urban Strategies gathered baseline data on residents that are used to measure all CSS efforts going forward.

Funding Sources: MBS was able to secure, leverage and coordinate multiple funding streams from public and private resources in order to implement the transformation plan. See Attachment 15 for a list of sources. At no point was MBS in default under the terms of any funding source.

Outcomes: 1) Housing: 460 rental (193 public housing, 144 LIHTC, and 123 market-rate) and 50 affordable ownership; 2) People: 377 of the 551 affected families have been located and offered case-management services. To date, 47% (104) of the new hires on the project have been Section 3. The Harmony Oaks Construction Training Program (HOCTP) has graduated a total of 78 trainees, and 75% of graduates have obtained employment; 3) Neighborhood: The KIPP charter school operator has partnered with the Recovery School District (RSD) to reopen Woodson School as a K-8 neighborhood school, including repairs and renovations made possible through MBS' commitment of \$20M in NMTC allocation. Winn Dixie is proposing a new "Fresh Market" prototype store as an anchor component to the new retail development.

Current Status: Construction on the Housing component is 85% complete with 40% of the units leased or reserved. The community center is 90% renovated and will be ready for occupancy by the end of November. Woodson school occupancy is scheduled for fall 2012. The retail development is in pre-development with an anticipated financial closing in late 2011.

Exhibit C.2: Housing Implementation Capacity

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ExC2_Housing_Capacity.doc

Exhibit C.2 Housing Capacity. The principal team member for Housing is McCormack Baron Salazar (MBS). In the past 35 years, MBS has established itself as a leading developer in urban transformation anchored by mixed-income communities. MBS has closed 141 projects with development costs in excess of \$2.2 billion, including 15,143 housing units. MBS has been extensively involved with HUD's public housing mixed-finance program, closing on the first two demonstration projects in 1996 (Murphy Park and Centennial Place). Since those first two transformations, MBS has closed 49 phases of HOPE VI developments in 15 cities, involving 6,419 units and \$1 billion in total development costs. The following examples serve to illustrate MBS' ability to lead the implementation of the Housing component of the Transformation Plan.

1) Renaissance Place at Grand, St. Louis, MO. In 1999, most of the 1,162 units in the Blumeyer public housing development were declared non-viable by HUD. The St. Louis Housing Authority (SLHA), MBS, Urban Strategies and the community used a combination of local, state, federal (including HOPE VI) and private sources to successfully transform the site into a high-quality, LEED-certified, mixed-use, mixed-income development, including 512 new rental units; a mixed-use office building with a bank, café and the headquarters for SLHA; a revitalized park; and homeownership units. The new development, Renaissance Place at Grand (RPG), is one of fewer than a dozen neighborhoods certified under the U.S. Green Building Council (USGBC) LEED for Neighborhood Development program. Renaissance Place achieved this status by integrating the principles of smart growth, new urbanism and green building.

Populations Served: RPG serves elderly and disabled, public housing, low income, and market rate residents and has low-income homeownership.

Unit Mix and Unit Types: RPG has 512 total units, including 223 ACC (Public Housing Agency) units, 108 affordable (tax-credit) units, 151 market rate units and 30 off-site homeownership. 140 of the units are 1- and 2- bedroom units in the universally-designed senior building and a building for

non-senior residents with accessibility needs. The family units consist of 1-5 bedroom garden apartments and townhouses. RPG has improved the quality and income mix of housing in the neighborhood.

Recent Operating Statements: The most recent operating statements for all four phases of RPG, certified by an independent auditor, are included in Attachment 16. None of the components of RPG require ongoing cash infusions from the owner.

Relocation of Residents: The demolition of Blumeyer was phased so residents who wished to remain on site for the duration of the construction could do so. Urban Strategies coordinated CSS activities, including case management, to help residents address good standing issues and remain lease compliant, resulting in 207 households returning to the RPG. Residents who were temporarily or permanently relocated continued to receive CSS services, including regular contact by case managers.

Funding Sources: The project effectively secured and leveraged a variety of financing sources for the project including private mortgage debt, tax-exempt bonds, LIHTC equity, NMTC equity, HUD Capital Funds, HOPE VI grant funds, CDGB, and FHA first mortgages to cover a total development cost of over [REDACTED]. Attachment 16 includes a listing of all development sources and uses for each phase of RPG.

2) University Place, Memphis, TN. The Memphis Housing Authority (MHA) engaged MBS to redevelop Lamar Terrace in 2004. Like many public housing sites, Lamar Terrace had a history of blight and disinvestment, despite having once been a good place to raise a family. In the HOPE VI redevelopment process, the team followed a community planning process organized around five key goals: engage residents, rebuild with a mix of housing that serves residents from a variety of incomes, reconnect with neighboring areas, enhance and expand the network of support organizations, and create a healthy living environment. The result of this work is University Place

(UP), a \$73 million high-quality, mixed-income revitalization that has achieved LEED-Silver certification and is pursuing a LEED-ND certification.

Populations Served: UP serves elderly and disabled, public housing, low income, and market rate residents. The project includes affordable homeownership units, and has housing designed specifically for senior residents.

Unit Mix and Unit Types: UP has 405 total units, a mix of 70 ACC units, 117 tax credit units and 100 unrestricted units in 1-5 bedroom walk-up and townhome units (including 7 affordable homeownership), and a 118 unit senior building. UP has improved the quality and income mix of housing in the neighborhood, and has provided affordable housing opportunities to seniors and to a range of household income levels.

Recent Operating Statements: The most recent operating statements for all three phases of UP, certified by an independent auditor, are included in Attachment 16. None of the components of UP require ongoing cash infusions from the owner.

Relocation of Residents: Urban Strategies, working with MHA, coordinated the relocation and return of residents to the site. With a hands-on case management program that helped residents address good standing issues and remain lease compliant during construction, 22 Lamar Terrace households were able to successfully and confidently return to new units in UP.

Funding Sources: For the [REDACTED] project, MBS successfully secured a HOPE VI grant leveraged by private mortgage debt, tax-exempt bonds, LIHTC equity, HUD Capital Funds, and other state and local funds. The CSS program alone leveraged a [REDACTED] commitment from the Women's Foundation for a Greater Memphis. Attachment 16 includes a listing of all major development sources and uses for all phases of UP.

3) Pueblo Del Sol, Los Angeles, CA. In 1998, the City of Los Angeles received a HOPE VI grant to demolish the 685-unit Aliso Village public housing complex, which had deteriorated beyond

repair. A joint partnership between MBS, The Related Companies of California, The Lee Group, Inc. and the Housing Authority of the City of Los Angeles (LAHA), replaced Aliso Village with a new mixed-income community adjacent to a light rail station. The opening of the Pueblo del Sol (Pueblo) housing development in 2003 marked a turning point in the historic East Los Angeles neighborhood of Boyle Heights. Pueblo replaced the former public housing with an attractive, energy-efficient, mixed-income community. In addition to the energy efficient design, solar panels will be put on the site later this year. The site has also been selected to be a recipient of a community grant to provide wireless broadband Internet service to residents. The transformation plan also leveraged investments in two schools: the new Mendez high school Engineering, Technology, Math and Science High School; and improvements to Utah Elementary School, with an auditorium for community theater productions.

Populations Served: Pueblo serves public housing, low income, and market rate residents. The project includes affordable homeownership units.

Unit Mix and Unit Types: Pueblo contains 470 units, including 377 rental units (226 ACC units and 151 tax credit and affordable units) and 93 homeownership units (31 affordable and 62 market rate). Pueblo has improved the quality and income mix of housing in the neighborhood, and has provided affordable housing opportunities to a range of household types and income levels.

Recent Operating Statements: The most recent operating statements for the two rental phases of Pueblo, certified by an independent auditor, are included in Attachment 16. None of the components of Pueblo require ongoing cash infusions from the owner.

Relocation of Residents: LAHA coordinated the relocation and return of residents to the site.

Funding Sources: For the [REDACTED] project, MBS successfully secured a HOPE VI grant leveraged by private mortgage debt, LIHTC equity, and other state and local funds. Attachment 16 includes a listing of all development sources and uses for Pueblo.

Exhibit C.3: People Implementation Capacity

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Exhibit C.3 People Implementation Capacity. As the People Implementation Entity, Principal Team Member Urban Strategies will be responsible for engaging residents, developing and implementing programs and detailed work plans, supervising case managers, contracting with and coordinating community and supportive service providers, leveraging resources, and coordinating People strategies with redevelopment activities. Urban Strategies specializes in designing and implementing place-based human capital and workforce development efforts associated with housing revitalization, including Community and Supportive Services (CSS) programs. Urban Strategies has extensive prior experience in coordinating health initiatives with health care providers, working closely with police departments on neighborhood stabilization initiatives, and establishing effective partnerships to facilitate access to high quality early childhood education, after-school programming and adult education services. Urban Strategies utilizes a HUD-approved real-time data management system known as “Tracking at a Glance” (TAAG) to track households, monitor their advancement towards goals established in Individual Development Plans, and chart progress towards critical overall program outcomes established in the CSS Work Plans. Urban Strategies regularly obtains input on CSS services and activities from service providers, institutions and community stakeholders through a Community Task Force and uses third party evaluators to assess program success. Below are three comparable examples of Urban Strategies projects.

1) C.J. Peete HOPE VI, New Orleans, LA, 2007 – 2013 *Populations Served:* 551 Housing Choice Vouchers (HCV) and public housing households involuntarily displaced throughout Louisiana and the United States due to Hurricane Katrina, and new residents at the revitalized site. *Evidence Based Services & Case Management:* Urban Strategies provides comprehensive case management centered around workforce development and early childhood education outcomes, and leads a comprehensive community health education initiative that uses the NIH’s “With Every Heartbeat is Life” curriculum. Urban Strategies brought KIPP in to operate the K-8 school,

monitors Section 3 (47% of new hires are Section 3), and coordinates a Construction Training Program that has graduated 78 Section 3 participants of whom 62 are currently employed full-time.

Mobility & Relocation Counseling: Due to Katrina, formal relocation was not needed, but preparing families to return was critical. Urban Strategies is currently providing counseling to families to help eliminate any barriers to meeting re-occupancy requirements. To date, Urban Strategies has assisted 77 former C.J. Peete families in successfully returning to the revitalized community.

Leverage & Service Coordination: Urban Strategies coordinates a network of over 25 public, faith- and community-based organizations. Through partnerships formalized in MOUs and strengthened at monthly meetings, Urban Strategies has leveraged [REDACTED] in public and private resources.

Sustaining & Expanding Service Strategies: By establishing and nurturing effective partnerships with existing organizations and resident leaders, Urban Strategies has laid a firm foundation for sustainability, and is currently developing a long-term plan to support families post-HOPE VI.

Collected & Analyzed Data: Urban Strategies uses TAAG to track real-time results and make data-driven decisions about improvements or changes needed. Urban Strategies meets monthly with the CSS Sub-Committee to review CSS Program Reports and seek broad-based input on CSS activities.

2) Lamar Terrace HOPE VI, Memphis, TN (2003 – 2010) *Populations Served:* 166 Lamar Terrace public housing households plus new residents.

Evidence Based Services & Case Management: Urban Strategies conducted a Gaps Analysis that gauged the services needed by residents against the capacity of existing providers to identify and prioritize resources. Urban Strategies implemented a case management model that increased resident access to developmental assets and resources, prepared residents for employment and coordinated job placements. Employment doubled (from 67 PH residents employed to 185).

Mobility & Relocation Counseling: Urban Strategies conducted relocation assessments for all 166 households and provided counseling to assist families with their temporary and permanent housing

choices. Counseling sessions addressed level of interest in moving, long and short term education and employment goals, and identification of neighborhoods that best accommodate family needs.

Leverage & Service Coordination: Urban Strategies was responsible for implementing case management, staffing CSS Coordination meetings and managing MOUs. The entire CSS program was operated with funds raised via the private sector in partnership with the Women's Foundation for a Greater Memphis. Urban Strategies raised over [REDACTED] and engaged other key partners including the Workforce Information Network and the Department of Human Services.

Sustaining & Expanding Service Strategies: In 2006, Urban Strategies was selected to implement the Dixie Homes CSS program, resulting in the establishment of Urban Strategies Memphis HOPE (USMH) to integrate projects and achieve significant economies of scale. The Memphis Housing Authority has adopted USMH as the vehicle to deliver services to all PH and HCV residents.

Collected & Analyzed Data: Urban Strategies contracted with the University of Memphis (UM) to evaluate the impact of the CSS program on resident self-sufficiency, document the effectiveness of CSS partnerships, geo-code the location of relocated residents, and assess the overall impact of the HOPE VI revitalization on the surrounding neighborhood. Urban Strategies utilizes UM's interim annual reports to analyze the effectiveness of CSS programming and make needed improvements.

3) Blumeyer HOPE VI, St. Louis, MO (2002 – 2008) *Populations Served:* 800 rental/for-sale households (public housing, low-moderate and market rate).

Evidence Based Services & Case Management: Urban Strategies coordinated and implemented the CSS program. In addition, Urban Strategies received a Neighborhood Networks (NN) grant that funded a technology-based self-sufficiency service focused on increasing educational attainment and employability and facilitating information access for low-income residents. Urban Strategies offered technology courses, skills training, and access to homeownership and entrepreneurship resources. Urban Strategies also developed a youth employment program through which over 75

participants earned summer stipends, learned marketable technology skills and gained valuable work experience by providing technology services to local businesses. Urban Strategies bridged the gap between prevailing home prices and the purchasing power of low and moderate income renters by administering a pool of second mortgage funds and establishing partnerships with a group of prime lenders who offered competitive mortgage products. With assistance from the resident leadership, Urban Strategies recruited upwardly mobile families, screened them for homeownership readiness, and provided financial education. The program resulted in 30 new homeowners.

Mobility & Relocation Counseling: Urban Strategies established a Relocation Committee with residents, the Housing Authority, and the developer to set policies for relocation and re-occupancy. Urban Strategies provided families with relocation counseling in coordination with other service needs. Urban Strategies worked with the developer to determine bedroom size needs of relocated families to ensure that the unit mix would meet the requirements of the 207 returning families.

Leverage & Service Coordination: Urban Strategies coordinated and implemented case management, staffed the CSS Partner and Steering Committee meetings, and managed partnership MOUs. The program leveraged over [REDACTED] from public and private sources to support services and the building of a 3,000 square foot Community Center.

Sustaining & Expanding Service Strategies: Urban Strategies worked closely with the St. Louis Housing Authority to establish a HOPE VI Endowment. A Resident Liaison, funded by the property manager, continues to work in the community as a member of Urban Strategies' staff, supporting the partnerships that were developed under the CSS Program and coordinating on-site services.

Collected & Analyzed Data: Urban Strategies developed an assessment tool that was administered to all residents. The tool was used to collect and refine community needs information and provide baseline household data. The assessment data was analyzed on a quarterly basis to continually refine the CSS plan, identify service gaps, and develop an appropriate scope for service providers.

Exhibit C.4: Education Implementation Capacity

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Section C.4 Education Implementation Capacity. The San Francisco Unified School District (SFUSD) will serve as the Principal Team Member to coordinate Education Implementation.

SFUSD has begun an ambitious effort to turn around achievement at its lowest performing schools by delivering rigorous curricula and assessments, and ensuring that the lowest performing schools receive the most support. SFUSD is implementing the evidence-based reform model adopted by the public school system in Chicago (Bryk et al., 2010). This model is focused on school leadership, family and community ties, professional capacity, student-centered learning climate, and instructional guidance. Specifically, schools that are strong in any one of these five core indicators are four to five times more likely to improve reading and mathematics achievement (Bryk et al., 2010). This model is in effect at Malcolm X, and has already shown positive results.

Malcolm X Academy Elementary School. Malcolm X Academy sits on top of Hunters Point Hill, adjacent to the Hunters View public housing development and within the Choice Neighborhood boundaries. Over the last 2 years Malcolm X has undergone a transformation. In 2008, the school had an Academic Performance Index (API) score of 593 and was considered a school of last resort for families living in the Neighborhood. With implementation of the Chicago model under the leadership of a new principal, [REDACTED], the school has improved its API by over 100 points in each of the last two years, receiving a score of 800 in 2010, the statewide benchmark for a high performing school.

The transformation of Malcolm X has required significant changes both inside the school and out. Inside the classroom, SFUSD instituted a number of reforms that have made a measurable difference for students and teachers. First, Malcolm X implemented two evidence-based curricula – the Harcourt Brace math series and Houghton Mifflin English Language Arts program. These curricula are supplemented with Reading First coaches who work with both students and teachers to accelerate reading skills acquisition for students behind grade level. This coaching has been coupled

with an additional 30 minutes of reading instruction and integration with reading in the afterschool program. SFUSD also brought in an Instructional Reform Facilitator to work with the faculty on instructional strategies, pedagogy, and classroom management techniques. Teachers conduct regular assessments to gauge individual student mastery of subjects, and work across disciplines to develop integrated lesson plans and to address individual student needs across classrooms.

Outside the classroom, SFUSD has partnered with Head Start to provide high quality early childhood education on site at Malcolm X. Head Start programs increase access to education in the community and build a student's and family's connection to the school from an early age. SFUSD has also partnered with the Urban Services YMCA to provide free extended-hours programming for all interested students, including tutoring, academic enrichment, sports, and arts. Significant outreach efforts have been made to engage parents and caregivers at the school site and within their homes.

Malcolm X is located next to Hunters View, the first public housing site being redeveloped into mixed-income housing through San Francisco's local HOPE SF initiative. To build on this model, SFUSD partnered with University of California Berkeley's Center for Cities in Schools to develop project-based learning activities for the classrooms that engaged students in the site's redevelopment process. For example, students were given an opportunity to work with the Association of Minority Architects to design one of the park spaces in the new development as well as a tree house. Students who participated in the project had increased attendance and academic performance, and the project was used as an opportunity to bring parents to the school site for presentations and discussions with the teachers and students. Together these reforms and programs helped enable the tremendous increase in API scores at Malcolm X.

Exhibit C.5: Neighborhood Implementation Capacity

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Exhibit C.5 Neighborhood Implementation Capacity. The San Francisco Redevelopment Agency (Agency), the Neighborhood Implementation Entity, has effectively implemented neighborhood-level planning and coordination activities that have resulted in positive, measurable outcomes that are comparable in scope and scale to the Neighborhood component of the proposed Transformation Plan, as demonstrated through the following three projects.

1) Mission Bay (MB). By the early 1990s, this once-active industrial zone was an underutilized, brownfields site, with a small, residential community located around Mission Creek. Its blighted condition (documented as a baseline assessment in the Agency's 1998 Report to the Board) led to the Agency's and Board of Supervisors' designation of MB as a Redevelopment Survey Area in 1996. Survey Area designation coincided with San Francisco's mayoral appointment of a MB Citizens Advisory Committee (MBCAC) to aid in the redevelopment planning process. The Agency, in collaboration with Catellus, the area's major land holder and master developer, and the MBCAC led hundreds of meetings to develop ideas for the redevelopment plan. The Supervisors' 1998 approval of the MB Plan commenced the implementation phase of the shared transformation vision that had emerged from the public planning process. The MB redevelopment goals to be implemented by Catellus, the Agency, and its partners included 6,000 housing units (30% affordable); 4.4 million s.f. of biotech/commercial space; a new UC San Francisco (UCSF) research campus, with 2.65 million s.f. of building space on 43 acres of land donated by Catellus and the City; a new UCSF hospital complex; 500,000 s.f. of neighborhood-serving retail; a new hotel; 41 acres of open space; a new 500-student public school; a new public library; new fire and police stations; and an extensive expansion of the City's transportation system, with new infrastructure. Measureable outcomes achieved to date include 3,126 housing units, including 674 affordable units; 1.5 million s.f. of office/biotech space; four UCSF research buildings and a campus community center; 430 units of student housing; 12 acres of new parks/open space; a new library with advanced

disabled assistive technology; a new adult day health center for low-income seniors; two high-quality, early learning centers; a new supermarket; a new light rail line connecting to downtown and Bay Area job centers; and two van shuttles providing free transportation to MB residents. Since 2004, 30 new life science companies have located in MB; in 2008, the area provided 10,000 jobs. To sustain these achievements over time, the Agency and its partners, including the MBCAC, meet regularly to assess progress of the development and plan for completion of the project.

Funding sources include [REDACTED] in Agency tax increment loans for affordable housing, which leveraged [REDACTED] in other affordable housing sources, including LIHTCs and state funding (e.g., Multifamily Housing Program Loan and Infill Infrastructure Grant). Additional funding includes over [REDACTED] in tax increment and community facilities bonds. Total investment in Mission Bay, including UCSF's developments, is expected to reach [REDACTED].

2) South of Market (SOMA). The SOMA Redevelopment Project Area began in 1990, one year after the Loma Prieta earthquake severely damaged portions of San Francisco, including this 68-acre neighborhood, characterized by dense residential and commercial structures, light industry, and SRO hotels. In response to damage to the neighborhood and local need, the Agency prepared a redevelopment report that included a baseline assessment of the area, and the Board of Supervisors adopted a SOMA Earthquake Recovery Project Redevelopment Plan in June 1990. At that time, the Agency's primary goals were to restore damaged residential and commercial structures and provide economic assistance to neighborhood-serving businesses. Because the area was distressed even before the earthquake, the Agency sought to expand the revitalization and blight elimination efforts following the emergency phase of the initial plan. To assist in development and planning for the next phase of redevelopment, the Board of Supervisors approved a SOMA Project Area Committee (SOMPAC) in 1997. Together, the Agency, SOMPAC, its subcommittees, and additional stakeholders developed a Plan Amendment, which the City adopted in 2005. The principal goals of

the Amended Plan, in addition to replacing housing lost in the earthquake, are to maintain and increase the supply of affordable housing, especially SRO units; facilitate job retention and job generation; promote safety; improve social services, including development of a health center; and support nonprofits that provide services that contribute to the area's cultural identity. Measurable outcomes include 1,142 new low-income and special needs housing units; the rehabilitation of the 1950s-era local elementary school, which received a "Green Excellence in Design Award"; the installation of new, widened sidewalks with new street trees and streetlights; façade and tenant improvement loans made to property owners and businesses; street cleaning services; a new health center under construction to serve low-income residents; an increase of SOMA's share of the City's commercial tenant demand for office space from 4% to 21%; a planned 2011 opening of a police substation; and Agency contracts with three community-based organizations for business and job development services. The Agency, with the collaboration of SOMPAC, local businesses, the Department of Public Works and other stakeholders, continues to pursue the vision of the 2005 Amended Plan through investment, implementation planning and regular meetings.

Funding sources include more than [REDACTED] in tax increment loans for affordable SOMA housing, which has leveraged another [REDACTED] in low-income housing tax credit equity and state grants and loans. An additional [REDACTED] in tax-exempt bond funding issued by the Agency paid for the infrastructure improvements. The Agency's tax increment investment in the Health Center exceeded \$3 million, and Agency contracts for job training/placement and business assistance for 2008 - 2011 was over [REDACTED]. Private investment is to date is approximately [REDACTED].

3) Rincon Point-South Beach (RPSB). RPSB, once characterized by dilapidated structures, underutilized buildings, and obsolete infrastructure, has been successfully transformed into 115 acres of mixed-use development along the City's eastern waterfront. The transformation of this area began in the late 1970s with the Supervisors' designation of the area as the Northeastern Waterfront

Survey Area, and the appointment of the Northeastern Waterfront Advisory Committee (NEWAC). The Agency, NEWAC, the Department of City Planning, and the Port of San Francisco undertook a joint planning study of the area, and, based upon their recommendations, the City Planning Commission approved a Preliminary Redevelopment Plan in 1980. Working with the RPSB Citizens Advisory Committee, the Agency prepared a Redevelopment Plan and other documents that included a baseline assessment of the area. In 1981, the Board of Supervisors approved RPSB as a Project Area. Key redevelopment goals for RPSB include development of mixed-income housing; attraction of private investment; creation of two major water-front parks; job creation and economic development, including a small-boat harbor, neighborhood commercial facilities, and the adaptive reuse of certain structures; and improvement of the area's transportation system.

Today, much of this vision has been realized. Measurable outcomes include: 2,473 units of housing, 25% of which are affordable; an award-winning, 370,000 s.f. housing and retail complex (Delancey Street), which provides educational and vocational training programs for resident ex-addicts and ex-felons, and includes the community's central meeting spot, the Crossroads Café; 1.2 million s.f. of office space, including The Gap headquarters; construction of AT&T Park, home to the SF Giants; renovation of three historic buildings; a fully-occupied, 700-berth harbor; creation of a 2-acre waterfront park and a second, 5-acre park including a large children's play area; and completion of the Embarcadero Boulevard streetscape improvements.

Funding sources include over [REDACTED] in tax increment and community facilities bonds. Affordable housing was developed through a combination of inclusionary requirements, tax-exempt bonds, LIHTCs, and, for Delancey Street, significant sweat equity. Private investment in RPSB has been [REDACTED]. The RPSB Plan remains in effect until 2021, and the Agency and its partners continue to meet regularly for ongoing planning and asset maintenance purposes.

Exhibit C.6: Overall Community Involvement

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Exhibit C.6 Overall Community Involvement. A sound community planning process fully engages all residents and local stakeholders to ensure that the plan addresses the needs and challenges faced by residents, community groups, faith-based groups, and other stakeholders. As described in the case studies in exhibits above, the Transformation Plan team has consistently engaged the community through clear, open communication to ensure community members' investment in the project, and worked with the community in good faith to build trust, offer realistic expectations of the revitalization plan and build consensus. These efforts are summarized below.

1) Near Northside (Lead). The work of Richard Baron of McCormack Baron Salazar (MBS) in the Near Northside as a Legal Aid attorney representing public housing residents led to engaging with the residents and community stakeholders to re-envision the neighborhood. This planning process led to one of the first two mixed-income pilot projects in the county (Murphy Park). COVAM (see Exhibit C.2) continues to engage residents to ensure that ongoing services meet residents' needs.

2) C.J. Peete/Harmony Oaks (Lead and People). Post-Katrina, the development team conducted a full scale outreach strategy to re-engage "lost" residents that included techniques such as skip tracing to find missing families, monthly public meetings, public notices in newspapers around the country, social networking sites, and a quarterly newsletter. MBS and Urban Strategies entered into a MOU with the Resident Council (RC) to establish guiding principles for community engagement and the RC has evolved into a mixed-income Neighborhood Association. **3) Renaissance Place (Housing and People).** Urban Strategies and MBS developed a Steering Committee (SC) that included resident leadership, community institutions, public agencies, foundations, and corporations to guide transformation. The SC met quarterly over the five-year transformation. Capacity training and technical assistance was provided to the Tenant Association, which hired a service coordinator to ensure the site's long-term sustainability. **4) University Place (Housing and People).** As part of HOPE VI community engagement, Urban Strategies created Memphis HOPE in partnership with

the Women's Foundation, a [REDACTED] initiative uniting community stakeholders with resources, creating opportunities for partnerships and better resident outcomes. 5) Pueblo Del Sol (Housing). To engage the community in Boyle Heights, MBS and Urban Strategies had to make sure that the flyers, the meeting presentations, and the minutes were available in Spanish and other languages. Urban Strategies and the management company continue to host quarterly resident meetings to ascertain the residents' needs and desires. 6) Lamar Terrace (People). Urban Strategies and MBS developed a Steering Committee (SC) that included resident leadership, community institutions, public agencies, foundations and corporations to guide the development process. The SC met quarterly for the duration of the transformation (5 years). 7) Mission Bay, Rincon Point, and SOMA (Neighborhood). The Agency has promoted ongoing community participation in project planning and implementation in all of the transformation examples cited, focusing principally on the local citizens advisory committee (CAC) or project area committee (PAC), as required by state law. The Agency takes the role and input of the citizen advisory groups seriously and seeks to implement plans that are community-prescribed and endorsed. Meetings have generally been held monthly for each committee since its respective inception. The Agency's outreach does not end at the committees, however. In Mission Bay, the Agency has met with a huge range of stakeholders since 1996, including, for example, Mission Bay Families, a resident organization dedicated to family and child advocacy in Mission Bay. In SOMA, the Agency's ongoing promotion of community participation includes work with organizations such as the SOMA Youth Task Force and the Bayanihan Community Center (a Filipino community center providing neighborhood services). An additional stakeholder in Rincon Point South Beach with whom the Agency works is the Mission Bay South Beach Rincon Hill Neighborhood Association, a broad resident neighborhood association concerned with general quality of life issues in the Central Waterfront Area.