

City and County of San Francisco
Request for Proposals: Sale of Real Property

FILLMORE HERITAGE CENTER
(Block 0732, Lots 032 & 033)



Date Issued:
Proposal Due:

February 10, 2017
April 3, 2017, 4:00 p.m.

Request for Proposals for ***FILLMORE HERITAGE CENTER***

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**Request for Proposals for
*FILLMORE HERITAGE CENTER***

I. Introduction and Schedule

A. General

The City and County of San Francisco (the “City”) is soliciting proposals (“Request for Proposals”, or “RFP”) from qualified respondents (“Developer”, “Respondents” or “Purchaser”) for the purchase and repurposing of the commercial portions and the parking garage of the Fillmore Heritage Center (the “Property”) located at the corner of Fillmore and Eddy Streets in the Western Addition neighborhood of San Francisco. The Property is located at 1300-1320-1330 Fillmore Street in San Francisco.

B. Schedule

The anticipated schedule for selecting a Respondent with whom to exclusively negotiate is:

<u>Proposal Phase</u>	<u>Date</u>
RFP issued by the City:	February 10, 2017
Registration opens for prospective Respondents (See page 11 Earnest Money Deposit – Registration)	February 13, 2017
First Tour of Fillmore Heritage Center Registration required: Email: fillmore-heritage-rfp@sfgov.org Phone: (415) 554 -6475	February 22, 2017 (9:30 a.m.)
Second Tour of Fillmore Heritage Center Registration required: Email: fillmore-heritage-rfp@sfgov.org Phone: (415) 554 -6475	March 8, 2017 (9:30 a.m.)
Deadline for submission of written questions or requests for clarification:	March 17, 2017
Final responses to questions posted on website:	March 24, 2017
Proposals due:	April 3, 2017
Tentative date of oral interview with Respondents selected for further consideration:	April 21, 2017

II. Development Opportunity and Scope of Work

A. Project Overview

The Fillmore Heritage Center, one of the last projects of the Western Addition redevelopment program, was developed as a multi-use facility whose goal was both to revitalize the commercial corridor and to honor the cultural heritage of the neighborhood. Prior to “Urban Renewal”, this

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neighborhood was considered the “Harlem of the West” for its sizable community of African American residents and African American-owned businesses, many of them music venues.

City Departments and Supervisor London Breed have engaged extensively with community members and area businesses since the closure of the Fillmore Heritage Center’s tenant Yoshi’s (and later The Addition) in early 2015 in order to gain input for the repurposing of the Property. This information serves as the guiding principles of this RFP.

In addition to a series of community meetings in 2015 (July 7, July 13, and October 26), the City issued a Request for Information in late January 2016, with an accompanying community meeting on February 8, 2016. The purpose of the Request for Information was to gather additional input on the desired uses and community benefits for the Property as well as to document interest from both prospective buyers and prospective community partners – i.e. those small businesses, nonprofit organizations or individuals who may not themselves have the capital to purchase and operate the Property, but would like to make themselves available to participate on teams and bring other value beyond capital, such as to strengthen a prospective buyer’s community benefits package.

To date, input from community engagement and the Request for Information has indicated the following goals and objectives from community stakeholders:

- This Property, like the neighborhood, is of historical significance to San Francisco’s African American community and there is strong interest in uses, ownership structure, business opportunities, design or other components that reinforce this cultural history;
- There is a strong desire for live entertainment to remain an anchor use of the Property;
- The Property should act as an economic generator for the Fillmore corridor, drawing visitors to support other area small businesses and generally activating the streetscape, during the day and at night;
- The Property, and potential businesses within should be viable and sustainable; and
- There is a strong desire for substantial community benefits – including community events and programming opportunities, jobs, affordable arts and small business space, and other benefits – and for these benefits to be sustained over time.

In addition to the community engagement and the Request for Information, the City and Supervisor Breed also sponsored a Community Activation and Events Program beginning in April 2016 and continuing through the end of 2016. The program, hosted in partnership with Urban Solutions and Andrea Baker Consulting, has enabled more than 60 events in the gallery, screening room, theater, restaurant and cocktail lounge, generating foot traffic for area businesses and helping community events promoters gain access to affordable rental facilities. This also helped the City and community members learn more about the benefits and challenges of programming these spaces in a safe and inclusive manner. The success of the initial program enabled the City to recently announce an extension through May 2017 as the RFP proceeds.

Based on the input and experience to date, the City is committed to ensuring that, through its sale, the Property emerges as a vibrant and financially viable commercial establishment, such as an entertainment venue, that also provides substantial and sustained community benefits to the Fillmore corridor and the Western Addition community. The City encourages proposals that

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creatively incorporate one or more of the following uses: performing arts, visual/media arts, food, and recreation/leisure activities.

The City is ultimately interested in identifying competitive proposals that can balance bid price, business plan, and community benefits provided in order to achieve these goals. Moreover, the City will set up appropriate mechanisms to ensure the community benefits are delivered.

B. Site Environs

The Fillmore Heritage Center is the heart of the Western Addition's Lower Fillmore commercial district, also known as "The Fillmore". Historically a Jewish and then Japanese neighborhood, the demographics in the neighborhood shifted substantially in the middle part of the twentieth century. As Japanese and Japanese-American families suffered internment, and many Caucasian families dispersed, African Americans coming to San Francisco for war industry jobs arrived in the Fillmore. The burgeoning African American community supported new jazz clubs and neighborhood businesses flourished. Through the 40's and 50's the Fillmore became a key West Coast destination on the national circuit for jazz, blues, and R&B performers, boasting venues as large as the Fillmore Auditorium and as small as the backroom jazz sessions at Jimbo's Waffle Shop which grew into the club called Bop City. The neighborhood became affectionately known as "the Harlem of the West". Unfortunately, during the postwar period, Urban Renewal in the Western Addition did severe damage to the community fabric, displacing residents and small businesses and disrupting the community network. The first phase, known as the Western Addition Redevelopment Project Area A-1, began in 1956 and covered 100 acres focused around the intersection of Fillmore and Geary.

The former Western Addition Redevelopment Project Area A-2 was formed in 1964. Early efforts undertaken by the San Francisco Redevelopment Agency ("SFRA") focused primarily on residential construction. Nearly all the Victorian residences and businesses were replaced with "superblock" developments, converting Geary Boulevard from a regular city street into a high-speed expressway. As a result, more than 8,400 residential units were created. Of those, approximately 40% were affordable to low and moderate income households.

Later, the focus shifted to economic development, particularly along the Fillmore corridor. In the mid-1990s, after an extensive community engagement process, SFRA created a destination dining and entertainment district called the Fillmore Jazz Preservation District. The goal of the district was to revitalize the neighborhood by drawing consumers from outside the neighborhood to supplement local businesses.

The Fillmore Heritage Center was a key component of this revitalization effort. The Fillmore Heritage Center was constructed as an \$80.5 million public-private partnership that includes 80 condominiums, about 50,000 square feet of commercial space, and a public parking garage. Of that \$80.5 million, about 35% was financed using public funds from the City and SFRA. The public investment of dollars built the public parking garage and the commercial space. SFRA also contributed the land, and provided two tenant improvement loans totaling about \$10.4 million. The City, through the Mayor's Office of Housing and Community Development, provided a tenant improvement loan totaling \$5.5 million. The original tenants of the project were: 1) Yoshi's San Francisco, a 28,000-square-foot jazz club and restaurant that closed its doors in 2014 after declaring bankruptcy and (2) "1300 on Fillmore," a 6,300-square-foot restaurant/music lounge that is still in operation. Upon the closure of Yoshi's San Francisco, Fillmore Development Commercial, the original developer of the project, brought in a new team to operate The Addition, which closed in early 2015. Currently, the City is sponsoring a Community Activation and Events Program, providing affordable space rentals on a short-term basis to activate the site.

Today, the Fillmore district continues to be a destination for live music – including Sheba Lounge, the Boom Boom Room, and the Fillmore Auditorium. In addition to community-serving businesses with histories in the neighborhood, including Miyako Ice Cream, Bumzy's

Cookies, and the Fillmore Cafe, the Fillmore boasts a growing food scene with award-winning restaurants such as State Bird Provisions, The Progress, 1300 on Fillmore, Wise Sons Bagels, Black Bark BBQ, and a handful of new African and African American businesses such as African Plural Art gallery, Electric Bicycle Super Store and Z011 Coffee Traders.

The Fillmore has many active community and cultural organizations working to preserve the history of the neighborhood and contribute to the quality of life of the area. The Lower Fillmore Merchants Association supports and promotes neighborhood businesses. The sustained and community-driven vitality of the Fillmore remains a central priority for the City, which provides funding for business assistance, promotional campaigns, community events and beautification projects.

C. The Property

The Property offered in this RFP (depicted in Exhibit A) consists of (1) the commercial portion of the mixed-use building located at 1300-1320-1330 Fillmore Street (“Commercial Parcel”) and (2) the adjacent, subterranean parking garage (“Garage Parcel”). The Property does not include the residential portion of the mixed-use development located at 1310 Fillmore Street. The Office of Community Infrastructure and Investment, as the Successor Agency to SFRA, (“OCII”), currently owns the Commercial Parcel and master leases the entire 50,000 square feet to the City. OCII also currently owns the Garage Parcel. State law requires OCII to transfer the property under a Long Range Property Management Plan (“PMP”) approved by the California Department of Finance.¹ For the Commercial Parcel, the PMP requires that (1) the City enter into a Compensation Agreement with certain taxing entities and (2) the repurposing of the parcel serve as a catalyst to the revitalization of the Fillmore Street corridor and the creation of employment opportunities for the community. For the Garage Parcel, the PMP requires that the garage continue to serve the general public. *OCII will transfer ownership of both parcels to the City prior to the City’s sale and conveyance of the Property. The master lease with the City will terminate on or before the conveyance of the Property to a Respondent.*

The Property is further described and mapped as Exhibit B.

1. Commercial Parcel

The Commercial Parcel (Block 0732, Lot 033) contains approximately 50,000 square feet of commercial space on the ground floor of the Fillmore Heritage Center. The Commercial Parcel includes:

(1) a 28,000-square-foot restaurant/entertainment venue, currently vacant after being previously operated as the jazz clubs Yoshi’s and The Addition (which closed in January 2015);

(2) a 6,300-square-foot restaurant/lounge (1300 on Fillmore, operated under a sublease to Food for Soul). 1300 on Fillmore is currently operational and unless a new direct lease is negotiated between the operator and potential Respondent as a community benefit to the Project, the existing lease (with a term including options that could run through October 2032) would be assigned to the eventual Respondent through a sale of the Property; and

(3) a gallery, screening room, and common areas, including a large, commercial lobby area that serves as the pedestrian entrance to the garage.

2. Garage Parcel

The Garage Parcel (Block 0732, Lot 032) contains approximately 50,000 square feet of floor area, and is located in the basement of the Fillmore Heritage Center. The garage can

¹ The PMP is available at

http://www.dof.ca.gov/Programs/Redevelopment/Long_Range_Property_Management/LRPMPC_Plans/documents/San%20Francisco_LRPMP_Revised.pdf.

accommodate up to 160 cars with assisted valet parking. This garage is not part of the residential development. It has one entrance and exit on Eddy Street, bicycle spaces, and an elevator and stairs from its basement to the lobby of the Commercial Parcel. The Garage is open to the public, and any Respondent must ensure it continues to remain open to the public. It is being operated by Imperial Parking (U.S.), LLC (“Impark”). It has all necessary approvals and permits to operate and the operating agreement, which operates on a month-to-month basis, could be assigned to the eventual Respondent through the sale of the Property.

D. Project Goals and Objectives

This RFP attempts to balance multiple objectives articulated through the above-described community engagement process. At a minimum, any proposal should address the following specific objectives:

- Meet or exceed the Minimum Bid Price (as defined in Section III below);
- Demonstrate the capacity to be a financially viable and sustainable commercial establishment;
- Fulfill the PMP objectives that the Property serve as a catalyst to the revitalization of the Fillmore Street commercial corridor and the creation of employment opportunities for the community (see Section IIC);
- Complement the streetscape and the corridor’s mix of uses, and apply design principles and leasing strategies that help activate the fronting sidewalk and the corridor;
- Provide community benefits (see Section IIF. below), including but not limited to (a) nonprofit or small business partnerships; (b) affordable community activation (i.e. space rental) opportunities; (c) job creation; (d) and minority- and women-owned enterprise opportunities; and
- Provide additional economic return to the public, including generation of revenue above the minimum bid price from the sale of the Property.

E. Preferred Development Program

Development of the Property is governed by the City’s General Plan and Planning Code. Any proposal should conform to the planning objectives, policies and standards contained in those documents.

Beyond adhering to any regulatory requirements, the preferred development program for the Property is a project that provides ongoing and sustainable operations, including but not limited to:

- Arts, culture and entertainment, with a focus on live entertainment;
- Recreation and leisure; and
- Food uses.

F. Community Benefits

The City is looking for community impact and benefits from the repurposing of this Property on a scale that meets or exceeds the value difference between the bid price and the appraised value (see Section III below). In addition, it is anticipated that the sale of the Property will free up other City resources for use in the community by allowing the City to pay off debt on the building.

Proposals should provide meaningful benefits to the Fillmore corridor and the Western Addition community. Proposals should outline clear, feasible and sustainable benefits and a plan for monitoring each proposed benefit. Proposals should think creatively about how best to ensure

that the repositioned Property provides an overall benefit to the community. To that end, proposals may include, but are not limited to, the following community benefits:

(a) Nonprofit or small business partnerships

- Creative partnerships with Fillmore/Western Addition community/cultural organizations or small businesses (for potential partners see 2016 Request for Information Team Member Contact Information and the Fillmore District web site link, attached as Exhibit D);
- Willingness and ability to negotiate a long-term lease with the operator of 1300 on Fillmore restaurant (proposals that include this community benefit should demonstrate such interest with an executed letter of intent to be included with any response);
- Affordable, long-term leases to other small businesses or nonprofit community or cultural organizations;

(b) Affordable community activation opportunities

- Below market rate event rentals for community activities (see example program at www.fillmoreheritage.com);
- Interim community-oriented activation of Fillmore Heritage Center spaces prior to construction;

(c) Job creation, particularly for local residents

- New construction and good-paying permanent jobs for the Western Addition neighborhood and the City, in conjunction with the City's workforce development priorities and programs; and

(d) Minority- or women-owned entrepreneurship opportunities

- Create economic opportunities for minority and women-owned enterprises with an equal opportunity to compete for and participate in project development and operations.

G. Conveyance Documents

In acquiring the Commercial Parcel from OCII under the PMP, the City will enter into a Compensation Agreement with certain taxing entities requiring the City to convey the Property to the selected Respondent with covenants and conditions regarding specific uses and community benefits to be provided by the Respondent. After the RFP process, the selected Respondent and the City will negotiate final conveyance documents consistent with the Respondent's proposal and the above-mentioned covenants and conditions. Respondent and City shall first negotiate an Exclusive Negotiating Agreement ("ENA") in the form attached as Exhibit E. Upon the City's Board of Supervisors approving the ENA, Respondent and City will execute a Purchase and Sale Agreement ("PSA") for final conveyance of the Property. In the PSA, the City may require that applicable key elements of the selected proposal be recorded as covenants encumbering the property and binding on successor and assigns. The ENA, PSA and other recordable instruments are collectively, the "Conveyance Documents". In addition, the Conveyance Documents will also include other conditions to the close of escrow, including possible prohibitions on the

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transfer prior to completion of the proposed redevelopment without the City's consent, and provisions obligating the Respondent to complete the project in accordance with a scope of development and a schedule of performance.

The Conveyance Documents shall also specify that the Property will be transferred via a quitclaim deed transferring title in its strictly "as is" condition, without representation or warranties by the City. Before the City will enter into Conveyance Documents with the Respondent, the Respondent will have produced, to the City's satisfaction, evidence of sufficient financing available to Respondent so that Respondent can operate the approved project.

III. Minimum Bid Price

The Property was appraised in the summer of 2015 for more than eleven million dollars (\$11,200,000). The City is currently in the process of updating that appraisal. The City will not necessarily require a Respondent to propose paying the appraised value in light of the covenants and restrictions required under the PMP. However, no proposal will be considered that does not meet or exceed the "Minimum Bid Price" of:

SIX MILLION FIVE HUNDRED THOUSAND DOLLARS (\$6,500,000)

The price offered by the selected Respondent will be payable to the City in all cash at the time of conveyance of the Property. The offered price for the Property will be part of the selection criteria, though will not be the sole deciding factor in proposal review. Proposals which require City subsidy, investment, or deferment for acquisition, improvement, or operations will not be considered to be competitive.

The Minimum Bid Price is the amount that will allow the City to pay down the debt necessary to sell the Property. The City is not requiring a Respondent necessarily purchase the Property at the appraised value, recognizing that the factors contributing to the value of this Property include the quality of the proposed business and the community benefits it provides as well as the revenue generated by its sale. The City may elect to secure the community benefits by requiring a performance bond or other financial instrument, such as a note recorded on the property.

IV. Submission Requirements

A. Time and Place for Submission of Proposals

Proposals must be received by 4:00 p.m., on April 3, 2017. Postmarks will not be considered in judging the timeliness of submissions. Proposals may be delivered in person or mailed to:

City and County of San Francisco
C/O: Real Estate Division
Attention: Request for Proposals: FILLMORE HERITAGE CENTER
General Services Agency
25 Van Ness Avenue, Suite 400
San Francisco, CA 94102

Interested Respondents shall submit **nine (9) copies** of the proposal, separately bound, in a sealed envelope clearly marked "**Request for Proposals: FILLMORE HERITAGE CENTER**" to the above location. Proposals that are submitted by email or fax will not be accepted. Late submissions will not be considered unless the RFP submission deadline is formally extended to all applicants.

B. Format

The City will place proposals in three-ring binders for review. Please use 8.5 x 11 sized three-hole recycled paper, print double-sided to the maximum extent practical, and bind the proposal with a binder clip, rubber band, or single staple, or submit it in a three-ring binder. Please do not bind your proposal with a spiral binding, glued binding, or anything similar. You may use tabs or other separators within the document.

For word processing documents, the City prefers that text be unjustified (i.e., with a ragged-right margin) and in a serif font (e.g., Times Roman, and not Arial), and that pages have margins of at least 1" on all sides (excluding headers and footers).

Please include a Table of Contents.

C. Content

Respondents must submit the following information, in the order specified below (for additional information, see the Minimum Qualifications attached as Exhibit C):

1. Introduction and Executive Summary (up to 5 pages)

Submit a letter of introduction and executive summary of the proposal. The summary must concisely summarize the proposal. This information must be in the first paragraph of the letter. The letter must be signed by a person authorized to obligate the Respondent to perform the commitments contained in the proposal. Submission of the letter will constitute a representation that Respondent is willing and able to perform the commitments contained in the proposal.

2. Proposed Use and Community Benefits

Describe the proposed use of the property, as well as the proposed community benefits, by providing all of the following:

- (a) Provide, in a narrative, the project plan for the Property, including the types of uses and the amount of space devoted to each use.
- (b) Describe uses and how such uses will complement the streetscape and the uses along the commercial corridor.
- (c) Describe how the project conforms to the City's planning and design goals.
- (d) Describe how the project addresses the City's community benefit goals. Please submit Exhibit H, Community Benefits Submission Form.

Submit a current business plan that includes a detailed description of the proposed uses, the business model, market analysis, a marketing plan, and a financial plan showing start-up through long-term stabilization as well as sources of financing.

In order to demonstrate viability of the proposed uses, Respondents should provide as much detail as possible about potential operators/tenants. *If available*, the please include the following in the business plan submission:

- Identification and description of operators if they differ from Respondent. Documentation to include:
 - Name of business
 - Written proposal for business concept, including products/services to be provided, hours of operation, numbers of employees, market analysis, marketing plan, financial plan for launch and sustainability
 - Names and qualifications of management team, including duties and years of experience

- Financial feasibility of operators/tenants if they differ from Respondent. Documentation to include:
 - Pro forma (3-5 years)
 - Financial statements
 - Evidence of access to capital and financing
- Lease terms, including draft or executed Letters of Intent if available, that could include:
 - Location/square footage
 - Term
 - Rent, utilities, maintenance, etc.

It is understood that the descriptions proposed in the project concept are preliminary in nature, (i.e., representing the initial thinking of the development team about the scope of the project). Such descriptions may be subject to change with City approval, since the project will be refined and modified in the development of plan documents. However, the City expects that this project description will provide an opportunity for teams to display creativity, market, industry and community knowledge, and a response that is site-specific.

3. Statement of Qualifications

A brief narrative description of the development team must be submitted and must include the following information in the form and order listed below:

(a) Development Team Qualifications:

(1) Identify the lead legal entity that will accomplish the development and implementation of the project and identify the legal entity, if different, that will contract with the City. Provide an explanation of the roles which the individual firms will have in the accomplishment of the project.

(2) Identify each development partner (see Exhibit D for potential partners) and major consultant and the role each will play in the implementation of the development and the responsible entity in the organizational structure for ongoing project management. The consultants should include, but not be limited to, architects, contractors, regulatory advisors, and legal counsel.

(3) Identify the lead negotiator for the project and identify any limitations on his/her authority to contractually bind the entity in negotiations.

(4) Identify each firm and the role it will play in the operation and management of the project following its completion.

(5) If the lead entity is a single purpose entity, identify any guaranty or other financial assurance appropriate to ensure the City of its obligation to close and other obligations under a negotiated Conveyance Document.

(b) Development Team Expertise:

(1) Present the relevant experience of the lead legal entity or entities, development partners, and consultants involved in the development of the project, as well as the relevant experience of each firm that will be managing/operating the project after its completion. Include a list and description of development projects in which entity or lead individuals in each entity have been involved, indicating the date, size, cost, construction and take-out lenders, location, and the role of the entity in each project. Describe, in particular, projects and experience with projects similar to that being proposed, include the status of any current, in-progress developments.

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(2) Describe any incidences in which the principals of the lead development entity or entities filed for bankruptcy individually and/or as a principal in an entity. Provide date of filing, circumstances and status.

(3) Describe any pending legal proceedings or actions that have been filed against any lead entity principals individually and/or as a principal in a development entity. Provide dates the complaints were filed and the present status of the litigation.

4. Financial Statements

Financial statement submittals are a key submission criteria the City will rely upon in the selection process. Along with its submission, a Respondent must:

(a) Provide copies of current (within last 18 months) audited financial statements, the most recent available credit report, the most recent annual report and audited financial statements (including explanatory material and audit reports) of each entity or individual that would have an ownership stake in the Property if acquired, including statement of changes in financial position and statements of any parent organizations and any materially relevant subsidiary units, identifying any projects with negative cash flows, amount of Respondent's recourse debt, any non-performing loans, including with the City or OCII, and the amount of guarantees and/or contingent liabilities.

(b) Provide a written statement from each financing source identified in the business plan that the equity and/or subordinate mortgage capital is available or will be made available for funding the proposed development. In lieu of a letter of commitment, submit written statements from financing sources describing past projects financed for respondent, detailing the amount of capital, the size of the project, and any other pertinent information that will assist the City in determining the availability of equity or subordinate mortgage capital to fund the project.

(c) Provide evidence of liquid assets sufficient to cover all predevelopment and pre-conveyance expenses.

NOTE:

Upon selection of a Respondent, the City will make copies of each of the responses to the RFP available to members of the public for their review and comment. Therefore, it is important for Respondents to clearly identify in their proposals those financial records or other information that the respondent in good faith determines to be a trade secret or confidential proprietary information protected from disclosure under applicable law. To the extent permitted by law, the City will attempt to reasonably maintain the confidentiality of such information, and information so marked will be redacted from copies presented to the public. However, generally, all documentation, including financial information submitted by any respondent to the City are public records under State and local law, including the City's Sunshine Ordinance, and the City will not under any circumstances be responsible for damages or losses incurred by a respondent or any other person or entity because of the release of such fiscal information.

5. Project Feasibility

(a) Provide a breakdown of construction and development costs, including hard and soft costs.

(b) Provide a projection of revenues and expenses of the proposed development in a project pro-forma (at least three (3) years, but no less than five (5) years). Clearly state assumptions to a degree sufficient for the City to judge the validity of the estimates, and the projected rates of return on equity. Indicate first year of stabilized operations.

(c) Provide a complete explanation of the financial arrangements, including how the development will be financed and the proportion of equity cash and subordinate debt. Specifically identify the source(s) of all needed funds.

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(d) Provide a projected sales forecast for any portion of the project to be sold and a pro-forma income and expense projection for the balance of the development, noting all key assumptions used and the projected rates of return on equity.

(e) Describe the direct and indirect economic benefits that the Respondent's proposed project will provide in the City, including – by way of example only – the retention of existing jobs and/or the creation of new jobs.

(f) Provide written evidence of the concurrence of key participants in the development with the concept proposed and the economics proposed. These participants should include, at a minimum, any major tenants, sources of equity and debt financing, and local consultants or brokers as to sales projections.

6. Bid and Offer to Negotiate Exclusively

Complete two (2) copies of the Bid and Offer to Negotiate Exclusively, attached as Exhibit E (which will be posted online on or around February 24, 2017) specifying the Respondent's bid price (at or above the Minimum Bid Price) for the Property. By executing the Bid and Offer to Negotiate Exclusively, the Respondent indicates its awareness and agreement to comply with the General Terms and Conditions set forth in this RFP.

7. Project Schedule

Provide an anticipated project timeline upon acquisition (in summer of 2017), setting forth anticipated dates to complete negotiations, secure entitlements, begin construction, complete construction and open for occupancy.

8. Proposal Execution

Exhibit E must be signed in ink by the Respondent's authorized representative, with the address of the Respondent's entity provided. Evidence of the legal status of the Respondent's entity, whether individual, partnership, corporation, limited liability company, county or municipality shall also be provided. A corporation shall execute the proposal by its duly authorized officers in accordance with its bylaws and shall list the State in which it is incorporated. A partnership shall give the full names and addresses of all partners and shall list the State in which it is organized and shall execute the proposal by its duly authorized partners in accordance with the partnership agreement. A limited liability company shall give full names and addresses of all members and shall list the State in which it is organized and shall execute the proposal by its duly authorized members or managers in accordance with its operating agreement. Partnerships, limited liability companies, and individuals shall be required to state the names of all persons involved in the proposal. The place of residence of each partnership, member, or individually, or the office address in case of a firm or company, including state, zip code and telephone number, shall be given after each name. If the Respondent's firm is a joint venture consisting of a combination of any of the above entities, each representative of such joint venture shall execute the proposal. Anyone signing a proposal as an agent of a firm or entity shall submit legal evidence of their authority to do so with the proposal.

9. Form SFEC-126

Respondent's submission shall include the information requested in Exhibit G.

10. Earnest Money Deposit - Registration

If a Respondent desires to view more information about the Property to conduct due diligence, Respondent must complete the Earnest Money Deposit form and provide the Earnest Money Deposit prior to accessing the due diligence materials. In any case, no later than April 3 at 4pm, all Respondents must complete Exhibit I and provide an Earnest Money Deposit in the amount of One thousand dollars (\$1,000.00) payable to:

CITY AND COUNTY OF SAN FRANCISCO

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Payment shall be in the form of a cashier's or certified check is required in order for a submittal to be considered. The Earnest Money Deposit may be accepted as early as February 13, 2017 and as late as April 3, 2017 at 4pm.

Earnest Money deposits made out to the **City and County of San** shall be mailed or delivered to:

City and County of San Francisco
Attn: Rally Catapang
Mayor's Office of Housing and Community Development
1 South Van Ness, 5th Floor
San Francisco, CA 94103

Please note that the above address is different than the submittal address for the proposals.

Upon City's receipt of the Earnest Money Deposit, a potential Respondent shall have access to detailed information specific to the Property. All deposits received will be cashed. After the selection of a proposal, the deposits of all unsuccessful Respondents will be refunded. Within three (3) business days of selection, the successful Respondent will be required to increase its deposit by Nine Thousand Dollars (\$9,000.00), to a total of Ten Thousand Dollars (\$10,000.00). At that point, the entirety of the deposit will become non-refundable and will be used to cover a portion of the City's costs related to project administration. The deposit will increase to five (5) % of the purchase price upon execution of the Purchase and Sale Agreement, and shall be non-refundable except in an event of default by City.

V. Evaluation and Selection Criteria

A. Review and Selection Process

Once the RFP submission period is complete proposals will be screened for "Minimum Qualifications" (which are outlined in Exhibit C). On or around April 21, 2017 a representative team of community members and City staff (the "RFP Review Panel") will meet and formally review the proposals. The RFP Review Panel includes nine individuals, five from the community and four from representative City departments. The community members and representative City departments forming the RFP Review Panel are listed on the following web site:

<http://sfgov.org/realestate/documents>

At any point upon receipt of a proposal, the City reserves the right to request clarification or additional information from the Respondents. The City intends for the RFP Review Panel to evaluate the proposals generally in accordance with the criteria itemized below. All proposals meeting the Minimum Qualifications ("Finalists") will be interviewed by the RFP Review Panel. The RFP Review Panel will then recommend a Finalist with whom the City may enter into an ENA, a sample of which will be posted online on or before February 24, 2017 as Exhibit F to this RFP. The proposed ENA will be recommended to the City's Board of Supervisors and Mayor for consideration of approval, in their absolute and sole discretion. Upon legislative approval of an ENA, the selected Respondent and the City shall negotiate a Purchase and Sale Agreement for the conveyance of the Property

B. Selection Criteria

The RFP Review Panel will be reviewing Finalists' proposals using a score sheet that places particular emphasis upon the following criteria:

1. Quality of proposed use and business plan

- a. Appropriateness, desirability and feasibility of proposed uses
 - b. Appropriateness and feasibility of business model
 - c. Financial plan (short-term through long-term stabilization)
2. Community benefits
 - a. Quality of community benefits (i.e., potential for impact in these areas)
 - Nonprofit or small business partnerships
 - Affordable community activation opportunities
 - Job creation, particularly for local residents
 - Minority- or women-owned entrepreneurship opportunities
 - b. Sustainability of community benefits
 - c. Immediate community benefits (such as interim activation)
3. Financial strength of the Respondent
 - a. Adequate equity capital available to ensure the project is fully funded
 - b. Ability to raise additional equity capital
 - c. Ability to obtain necessary debt financing
 - d. Proposed purchase price of no less than \$6.5 million
 - e. Demonstrated ability to pay the proposed purchase price
 - f. Current relationships with lenders and other sources of financing
 - g. Creditworthiness of development entity and any guarantors
 - h. Reasonableness of financial projections and feasibility of the development program
4. Development experience, capacity and ability to perform
 - a. Successful and timely completion of comparable projects and/or achievement of key milestones in projects currently underway
 - b. Absence of judgments or pending litigation in the past 5 years
 - c. Management/operations expertise of the team
 - d. Real estate development expertise of the team
 - e. Understanding and identifying of local market and issues within the community
 - f. Understanding of the regulatory approvals process, as reflected in the project schedule and general project concept

VI. Terms and Conditions for Receipt of Proposals

A. Errors and Omissions in RFP

Proposers are responsible for reviewing all portions of this RFP. Proposers are to promptly notify the City, in writing, if the proposer discovers any ambiguity, discrepancy, omission, or other error in the RFP. Any material updates or clarifications (including Exhibit E & Exhibit F) shall be published on the City's website at <http://sfgov.org/realestate/documents>. Any such notification should be directed to the email: fillmore-heritage-rfp@sfgov.org, promptly

RFP for *FILLMORE HERITAGE CENTER*

after discovery, but in no event later than five working days prior to the date for receipt of proposals. Modifications and clarifications will be made by addenda as provided below.

B. Inquiries or Questions Regarding RFP

Inquiries or questions regarding the RFP and all oral notifications of an intent to request written modification or clarification of the RFP must be directed to:

Email: fillmore-heritage-rfp@sfgov.org

Phone: (415) 554 -6475

C. Objections to RFP Terms

Should a proposer object on any ground to any provision or legal requirement set forth in this RFP, the proposer must, not more than ten calendar days after the RFP is issued, provide written notice setting forth with specificity the grounds for the objection. The failure of a proposer to object in the manner set forth in this paragraph shall constitute a complete and irrevocable waiver of any such objection. Any formal objections should be addressed to:

City and County of San Francisco
C/O: Office of Economic and Workforce Development
City Hall Room 448
Attention: Fillmore Heritage Center
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102
Email: fillmore-heritage-rfp@sfgov.org

D. Change Notices

The City may modify the RFP, prior to the proposal due date, by issuing Change Notices, which will be posted on the website <http://sfgov.org/realestate/documents>. The proposer shall be responsible for ensuring that its proposal reflects any and all Change Notices issued by the City prior to the proposal due date regardless of when the proposal is submitted. This will also include updates and responses to Frequently Asked Questions. Therefore, the City recommends that the proposer consult the website frequently, including shortly before the proposal due date, to determine if the proposer has downloaded all Change Notices.

E. Term of Proposal

Submission of a proposal signifies that the proposed services and prices are valid for 120 calendar days from the proposal due date and that the quoted prices are genuine and not the result of collusion or any other anti-competitive activity.

F. Revision of Proposal

A Proposer may revise a proposal on the Proposer's own initiative at any time before the deadline for submission of proposals. The proposer must submit the revised proposal in the same manner as the original. A revised proposal must be received on or before the proposal due date.

In no case will a statement of intent to submit a revised proposal, or commencement of a revision process, extend the proposal due date for any proposer.

At any time during the proposal evaluation process, the City or the RFP Review Panel may require a proposer to provide oral or written clarification of its proposal. The RFP Review Panel reserves the right to make an award without further clarifications of proposals received.

G. Errors and Omissions in Proposal

RFP for *FILLMORE HERITAGE CENTER*

Failure by the City to object to an error, omission, or deviation in the proposal will in no way modify the RFP or excuse the vendor from full compliance with the specifications of the RFP or any contract awarded pursuant to the RFP.

H. Financial Responsibility

The City accepts no financial responsibility for any costs incurred by a firm in responding to this RFP. Submissions of the RFP will become the property of the City and may be used by the City in any way deemed appropriate.

I. Proposer's Obligations under the Campaign Reform Ordinance

Proposers must comply with Section 1.126 of the S.F. Campaign and Governmental Conduct Code (attached as Exhibit G), which states:

No person who contracts with the City for the rendition of personal services, for the furnishing of any material, supplies or equipment to the City, or for selling any land or building to the City, whenever such transaction would require approval by a City elective officer, or the board on which that City elective officer serves, shall make any contribution to such an officer, or candidates for such an office, or committee controlled by such officer or candidate at any time between commencement of negotiations and the later of either (1) the termination of negotiations for such contract, or (2) three months have elapsed from the date the contract is approved by the City elective officer or the board on which that City elective officer serves.

If a proposer is negotiating for a contract that must be approved by an elected local officer or the board on which that officer serves, during the negotiation period the proposer is prohibited from making contributions to:

- the officer's re-election campaign
- a candidate for that officer's office
- a committee controlled by the officer or candidate.

The negotiation period begins with the first point of contact, either by telephone, in person, or in writing, when a contractor approaches any city officer or employee about a particular contract, or a city officer or employee initiates communication with a potential contractor about a contract. The negotiation period ends when a contract is awarded or not awarded to the contractor. Examples of initial contacts include: (1) a vendor contacts a city officer or employee to promote himself or herself as a candidate for a contract; and (2) a city officer or employee contacts a contractor to propose that the contractor apply for a contract. Inquiries for information about a particular contract, requests for documents relating to a Request for Proposal, and requests to be placed on a mailing list do not constitute negotiations.

Violation of Section 1.126 may result in the following criminal, civil, or administrative penalties:

1. **Criminal.** Any person who knowingly or willfully violates section 1.126 is subject to a fine of up to \$5,000 and a jail term of not more than six months, or both.
2. **Civil.** Any person who intentionally or negligently violates section 1.126 may be held liable in a civil action brought by the civil prosecutor for an amount up to \$5,000.
3. **Administrative.** Any person who intentionally or negligently violates section 1.126 may be held liable in an administrative proceeding before the Ethics Commission held pursuant to the Charter for an amount up to \$5,000 for each violation.

For further information, proposers should contact the San Francisco Ethics Commission at (415) 581-2300.

J. Sunshine Ordinance

RFP for ***FILLMORE HERITAGE CENTER***

In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

K. Public Access to Meetings and Records

If a proposer is a non-profit entity that receives a cumulative total per year of at least \$250,000 in City funds or City-administered funds and is a non-profit organization as defined in Chapter 12L of the S.F. Administrative Code, the proposer must comply with Chapter 12L. The proposer must include in its proposal: (1) a statement describing its efforts to comply with the Chapter 12L provisions regarding public access to proposer's meetings and records and (2) a summary of all complaints concerning the proposer's compliance with Chapter 12L that were filed with the City in the last two years and deemed by the City to be substantiated. The summary shall also describe the disposition of each complaint. If no such complaints were filed, the proposer shall include a statement to that effect. Failure to comply with the reporting requirements of Chapter 12L, or material misrepresentation in proposer's Chapter 12L submissions, shall be grounds for rejection of the proposal and/or termination of any subsequent Agreement reached on the basis of the proposal.

L. Reservations of Rights by the City

The issuance of this RFP does not constitute an agreement by the City that any contract will actually be entered into by the City. The City expressly reserves the right at any time to:

1. Waive or correct any defect or informality in any response, proposal, or proposal procedure;
2. Reject any or all proposals;
3. Reissue a Request for Proposals;
4. Prior to submission deadline for proposals, modify all or any portion of the selection procedures, including deadlines for accepting responses, the specifications or requirements for any materials, equipment or services to be provided under this RFP, or the requirements for contents or format of the proposals;
5. Procure any materials, equipment or services specified in this RFP by any other means; or
6. Determine that no project will be pursued.

M. No Waiver

No waiver by the City of any provision of this RFP shall be implied from any failure by the City to recognize or take action on account of any failure by a proposer to observe any provision of this RFP.

VII. Contract Requirements

A. Standard Contract Provisions

The successful proposer will be required to enter into a contract substantially in the form of the ENA, attached hereto as Exhibit F. Failure to timely execute the contract, or to furnish any and all insurance certificates and policy endorsements, surety bonds or other materials required in the contract, shall be deemed an abandonment of a contract offer. The City, in its

sole discretion, may select another firm and may proceed against the original selectee for damages.

B. Nondiscrimination in Contracts and Benefits

The successful proposer will be required to agree to comply fully with and be bound by the provisions of Chapters 12B and 12C of the San Francisco Administrative Code. Generally, Chapter 12B prohibits the City and County of San Francisco from entering into contracts or leases with any entity that discriminates in the provision of benefits between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of employees. The Chapter 12C requires nondiscrimination in contracts in public accommodation. Additional information on Chapters 12B and 12C is available on the HRC's website at www.sfhrc.org.

C. Minimum Compensation Ordinance (MCO)

The successful proposer will be required to agree to comply fully with and be bound by the provisions of the Minimum Compensation Ordinance ("MCO"), as set forth in San Francisco Administrative Code Chapter 12P. Generally, this Ordinance requires contractors to provide employees covered by the Ordinance who do work funded under the contract with hourly gross compensation and paid and unpaid time off that meet certain minimum requirements.

For the amount of hourly gross compensation currently required under the MCO, see www.sfgov.org/olse/mco. Note that this hourly rate may increase on January 1 of each year and that contractors will be required to pay any such increases to covered employees during the term of the contract.

Additional information regarding the MCO is available on the web at www.sfgov.org/olse/mco.

D. Local Hiring and Prevailing Wage

Through its submission of a proposal, Respondent understands and agrees to abide by the terms and conditions of the City's Local Hire and Prevailing Wage Requirements as particularly described in Exhibit J. The PSA will reflect this information.

E. Health Care Accountability Ordinance (HCAO)

The successful proposer will be required to agree to comply fully with and be bound by the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in S.F. Administrative Code Chapter 12Q. Contractors should consult the San Francisco Administrative Code to determine their compliance obligations under this chapter. Additional information regarding the HCAO is available on the web at www.sfgov.org/olse/hcao.

F. Conflicts of Interest

The successful proposer will be required to agree to comply fully with and be bound by the applicable provisions of state and local laws related to conflicts of interest, including Section 15.103 of the City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California. The successful proposer will be required to acknowledge that it is familiar with these laws; certify that it does not know of any facts that constitute a violation of said provisions; and agree to immediately notify the City if it becomes aware of any such fact during the term of the Agreement.

Individuals who will perform work for the City on behalf of the successful proposer might be deemed consultants under state and local conflict of interest laws. If so, such individuals will be required to submit a Statement of Economic Interests, California Fair Political

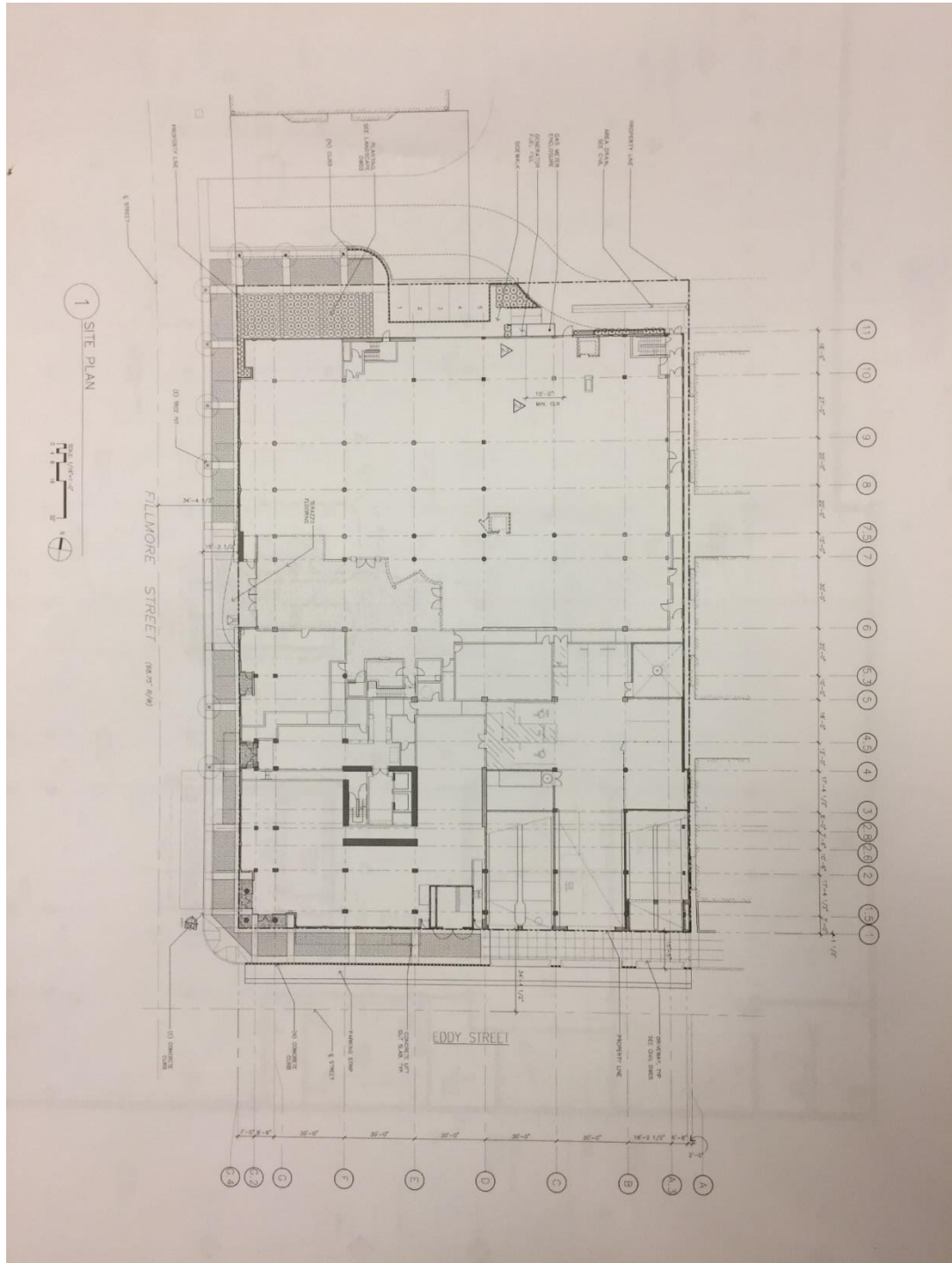
RFP for ***FILLMORE HERITAGE CENTER***

Practices Commission Form 700, to the City within ten calendar days of the City notifying the successful proposer that the City has selected the proposer.

EXHIBIT A

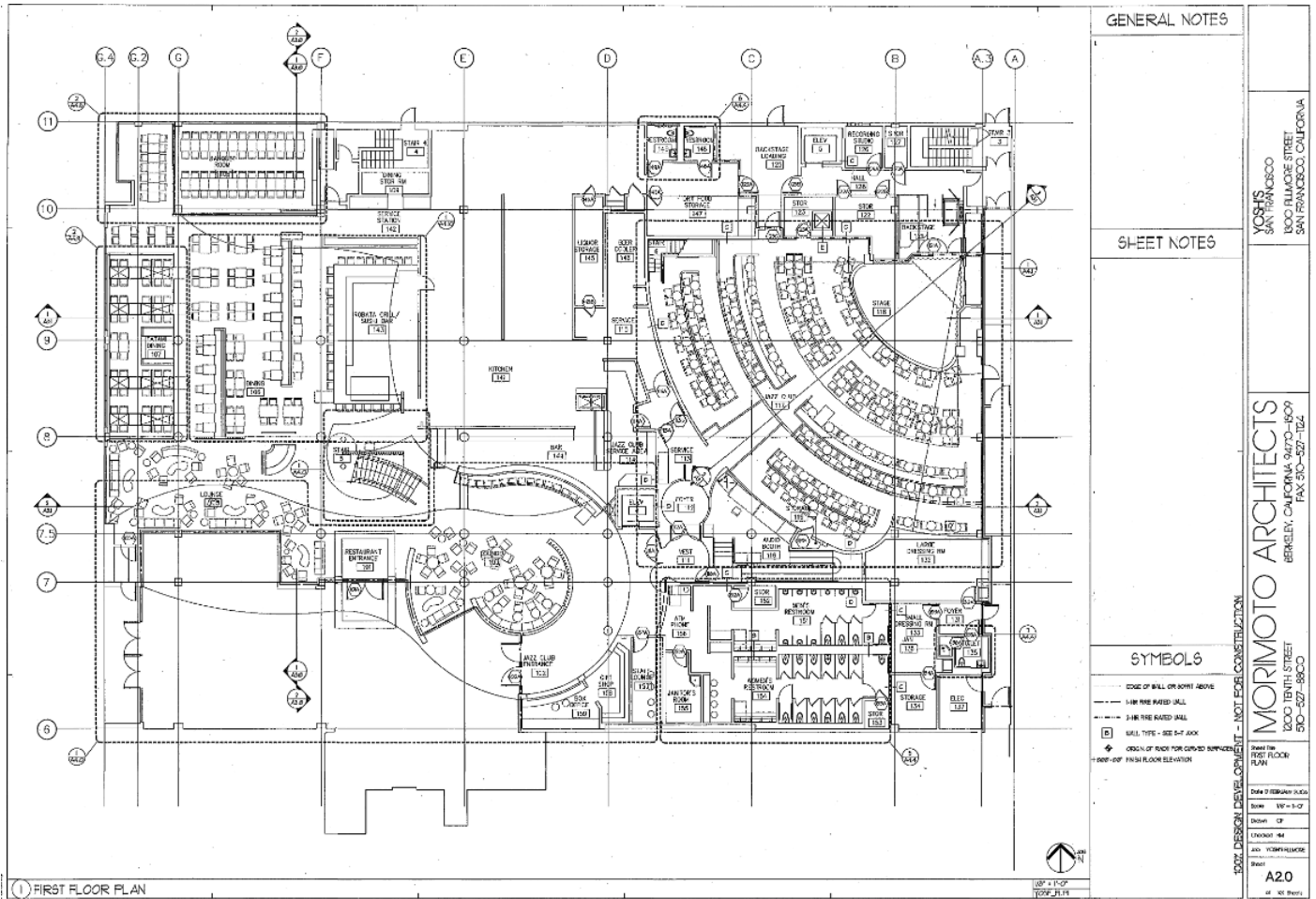
PROPERTY MAP

Commercial Parcel / Site Plan



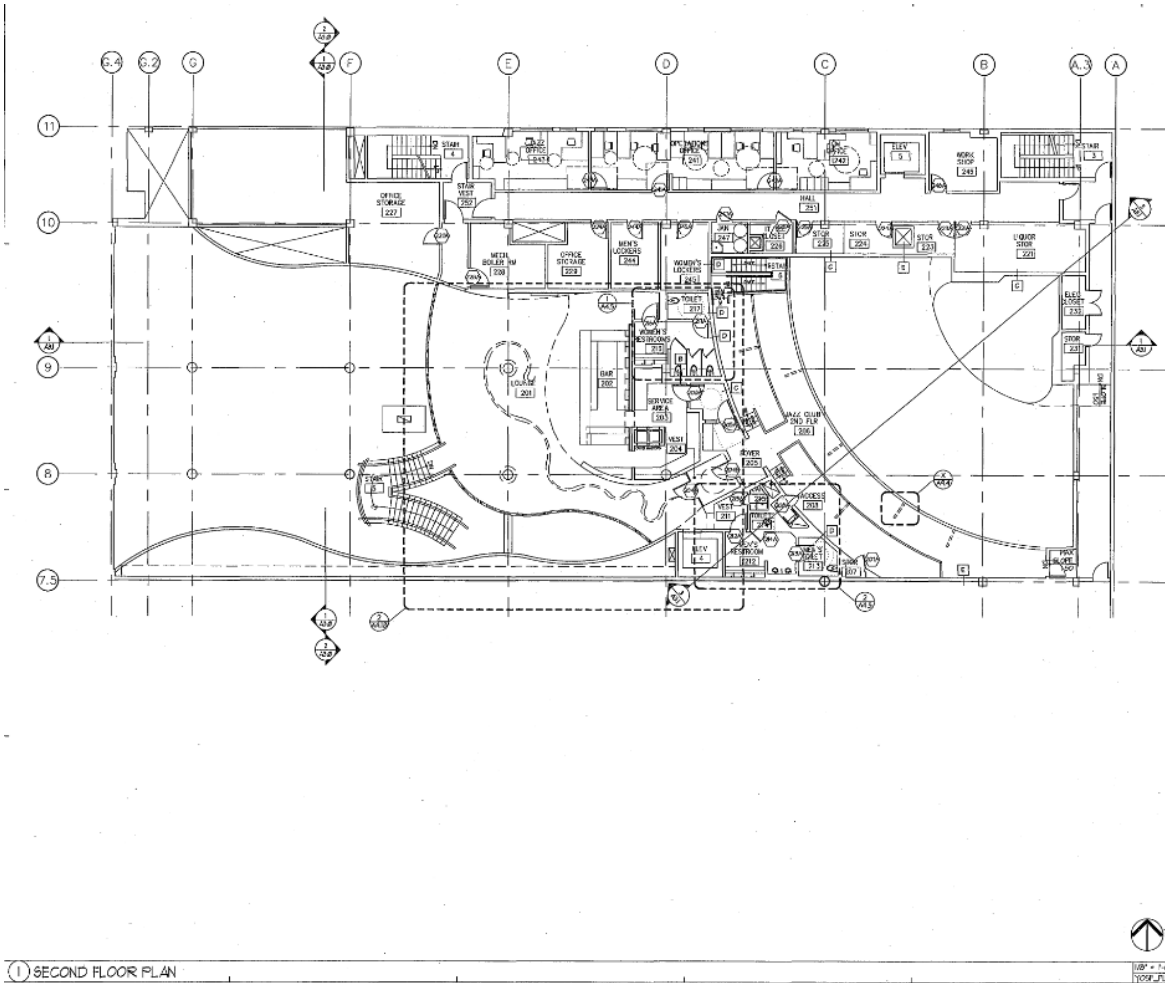
Commercial Parcel / Entertainment Venue

Ground Level



Commercial Parcel / Entertainment Venue

Second Level



GENERAL NOTES

SHEET NOTES

SYMBOLS

- SIDE OF WALL OR ROOF ABOVE
- 1-INCH RATED WALL
- 2-INCH RATED WALL

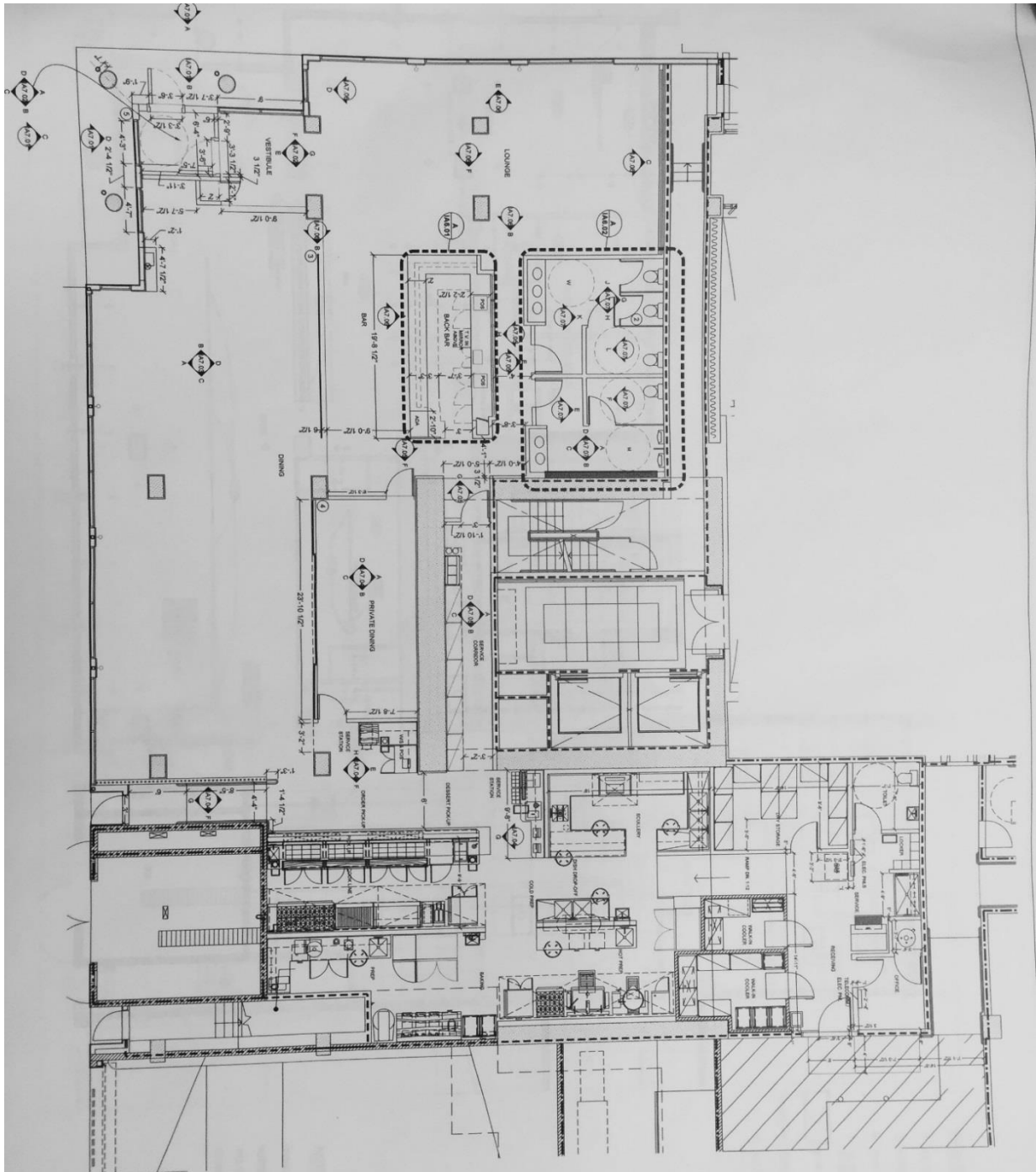


1/8" = 1'-0"
YOSF_PLP2

<p>YOSHI'S SANTANA BLVD 1800 RILMORE STREET SAN FRANCISCO, CALIFORNIA</p>	<p>MORIMOTO ARCHITECTS BERKELEY, CALIFORNIA 94702-1609 FAX 510-837-1124</p>
<p>100% DESIGN DEVELOPMENT - NOT FOR CONSTRUCTION</p>	<p>Sheet No. SECOND FLOOR PLAN</p>
	<p>Date: 9 FEBRUARY 2006</p>
	<p>Scale: 1/8" = 1'-0"</p>
	<p>Drawn: OK</p>
	<p>Checked: ME</p>
	<p>Job: YOSHI'S/BLVD</p>
	<p>Sheet A21</p>
	<p>of 2 sheets</p>

(1) SECOND FLOOR PLAN

Commercial Parcel / 1300 on Fillmore



Architectural floor plan of the Commercial Lobby. The plan shows a large central area labeled 'COMMERCIAL LOBBY' with a finished floor level of +105.71'. To the right, there is a 'BATHROOM' (Q 43), a 'JANITOR' (Q 148), a 'PARKING BOOTH' (Q 45), and a 'STAIR NO. 3'. An 'ELEV NO. 3' is also indicated. A 'FUTURE TENANT' area is shown at the top right with a finished floor level of +105.92'. A 'RESIDENTIAL STORAGE' area (Q 154) is located at the top. The plan includes a grid system (A-E, 1-4) and a north arrow. The plan is titled '1 COMMERCIAL LOBBY FLOOR PLAN'.

Garage Parcel

NOT FOR PUBLIC DISTRIBUTION
SAN FRANCISCO
DEPARTMENT OF
BUILDING INSPECTION
OFFICIAL COPY
FOR OFFICE USE ONLY

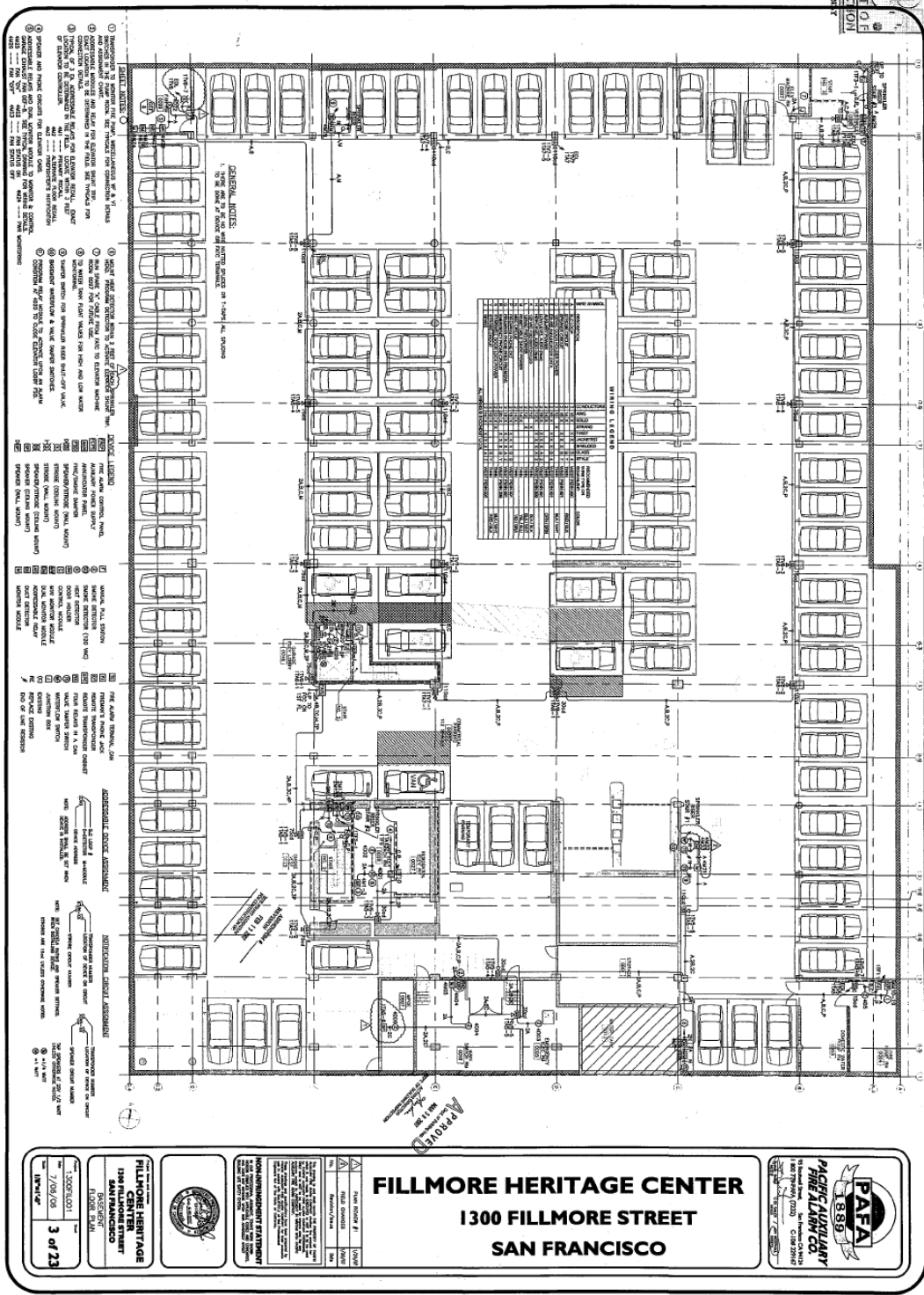


EXHIBIT B

LEGAL DESCRIPTION AND PARCEL MAP

Legal Descriptions

GARAGE PARCEL

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SAN FRANCISCO, COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL A:

Parcel 1, Lot 32, (Garage Parcel) as shown and delineated upon that certain Map entitled, "Parcel Map of Fillmore Heritage Center Being a Merger and Resubdivision of Airspace of Lots 14-23, 29 & 30, Also Being a One Lot Subdivision for Condominium Purposes, Being a Portion of Assessor's Block No. 732, Also Being a Portion of Western Addition Block No. 306", filed for record in the Office of the Recorder in and for the City and County of San Francisco on March 22, 2005 in Book 90 of Condominium Maps Pages 26 through 34, inclusive.

PARCEL B:

Easements as described and delineated in that certain instrument entitled "Fillmore Heritage Center Reciprocal Easement and Maintenance Agreement" recorded September 9, 2005, Instrument No. 2005-I027471-00 Official Records, upon the terms and conditions contained therein.

Assessor's Block 0732, Lot 032

COMMERCIAL PARCEL

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SAN FRANCISCO, COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL A:

Parcel 2, Lot 33, (Commercial Parcel) as shown and delineated upon that certain map entitled, "Parcel Map of Fillmore Heritage Center Being a Merger and Resubdivision of Airspace of Lots 14-23, 29 & 30, Also Being a One Lot Subdivision for Condominium Purposes, Being a Portion of Assessor's Block No. 732, Also Being a Portion of Western Addition Block No. 306" filed for record in the Office of the Recorder in and for the City and County of San Francisco on March 22, 2005 in Book 90 of Condominium Maps pages 26 through 34, inclusive.

PARCEL B:

Easements as described and delineated in that certain instrument entitled "Fillmore Heritage Center Reciprocal Easement and Maintenance Agreement" recorded September 9, 2005, Instrument No. 2005-I027471-00 Official Records, upon the terms and conditions contained therein.

Assessor's Block 0732, Lot 033

SEE SHEETS 8 AND 9 FOR
SECTIONS "A" AND "B".

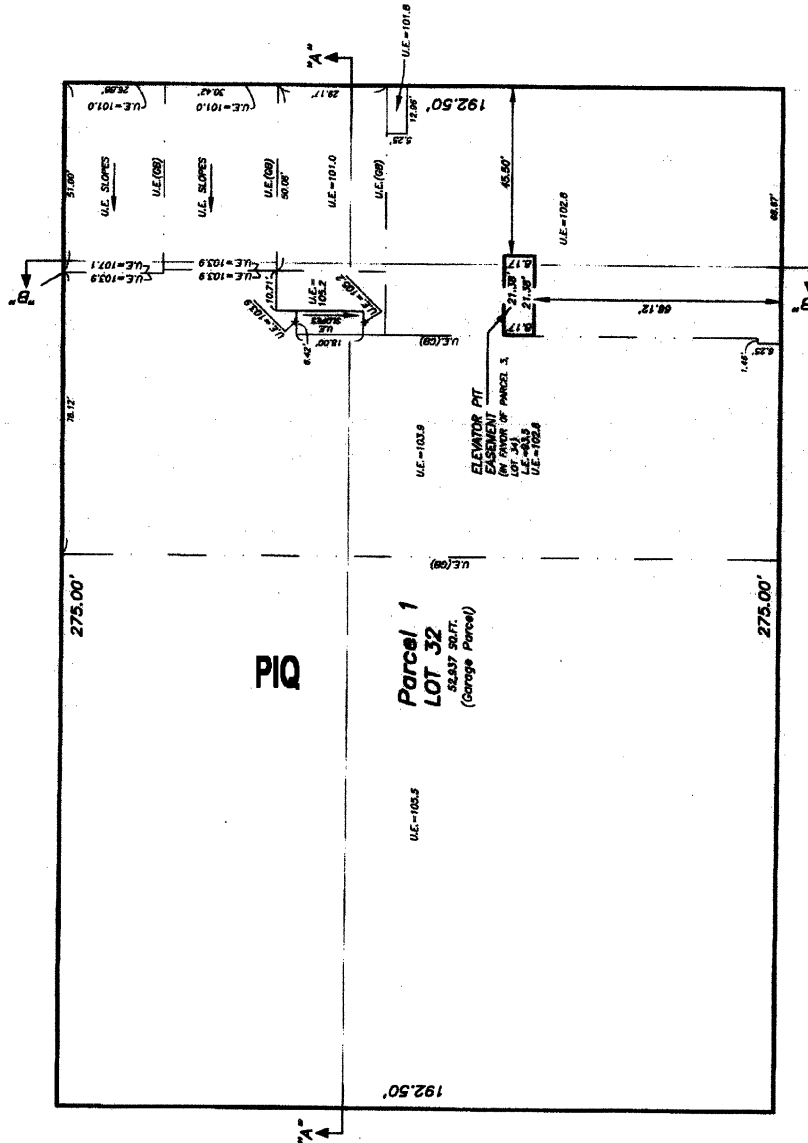
BEING A MERGER AND RESUBDIVISION OF AIRSPACE OF LOTS 14-23, 28 & 30
ALSO BEING A ONE LOT SUBDIVISION FOR CONDOMINIUM PURPOSES
BEING A PORTION OF ASSESSOR'S BLOCK NO. 732
ALSO BEING A PORTION OF WESTERN ADDITION' BLOCK NO. 306
CITY AND COUNTY OF SAN FRANCISCO, CALIFORNIA

MARTIN M. RON ASSOCIATES, INC.
Land Surveyors
259 Harrison Street, Suite 200
San Francisco
California

MARCH 2005 SCALE: 1" = 20' SHEET 4 OF 9

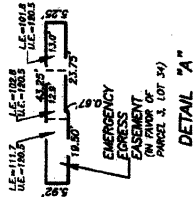
LEVEL A (BASEMENT LEVEL)
 LOWER ELEVATION = CENTER OF THE EARTH
 UPPER ELEVATION = AS SHOWN

PARCEL 1	LOT 32	52.917 SQ FT
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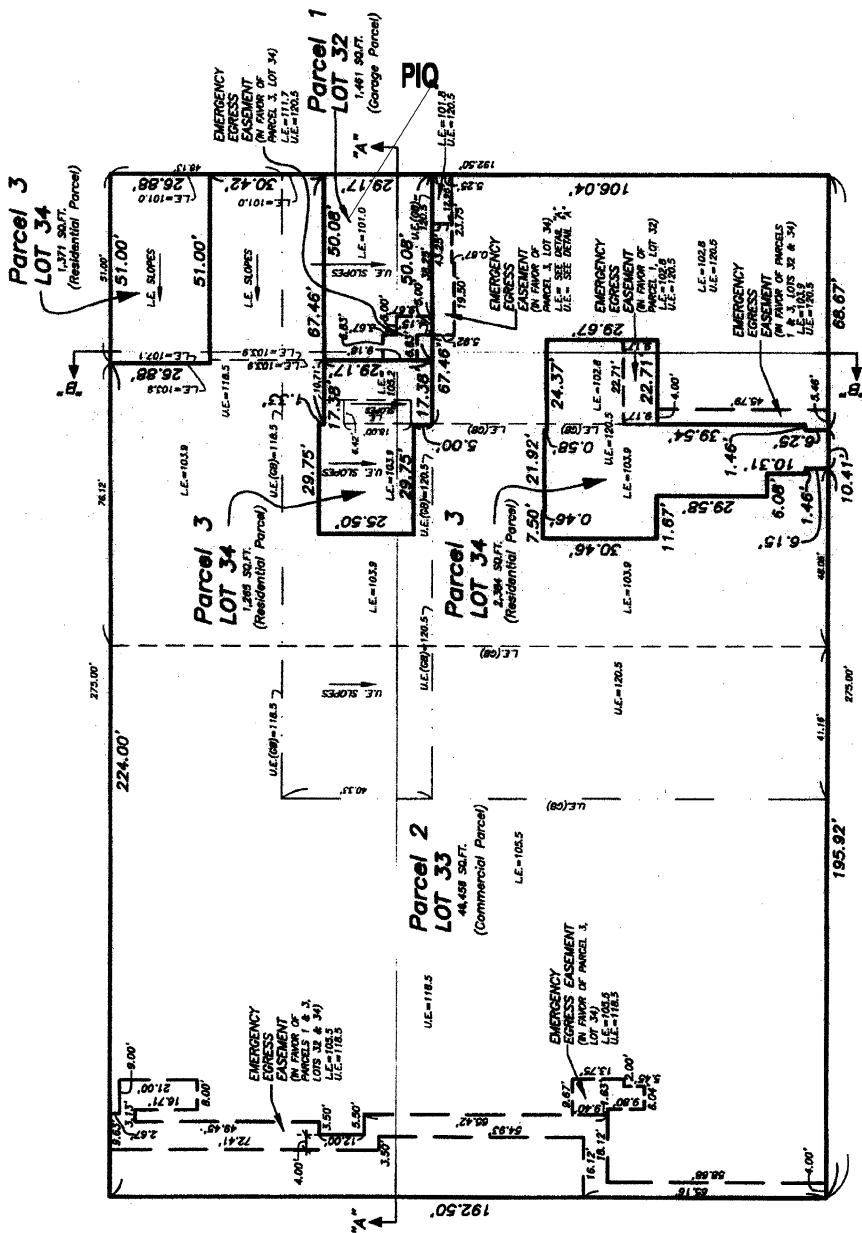


Important: This plat is not a survey. It is furnished as a convenience to locate the land in relation to adjoining streets and other lands and not to guarantee any dimensions, distances, bearings or acreage.



SEE SHEETS 8 AND 9 FOR SECTIONS 'A' AND 'B'.

EDDY STREET



PARCEL MAP OF

FILLMORE HERITAGE CENTER

BEING A MERGER AND RESUBDIVISION OF PARCELS OF LOTS 14-23, 29 & 30 ALSO BEING A ONE LOT SUBDIVISION FOR CONDOMINIUM PURPOSES PARCELS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30 ALSO BEING A PORTION OF WESTERLY STREET BLOCK 42, 305 CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

MARTIN M. ROM ASSOCIATES, INC.
Land Surveyors
880 Harrison Street, Suite 200
San Francisco, California

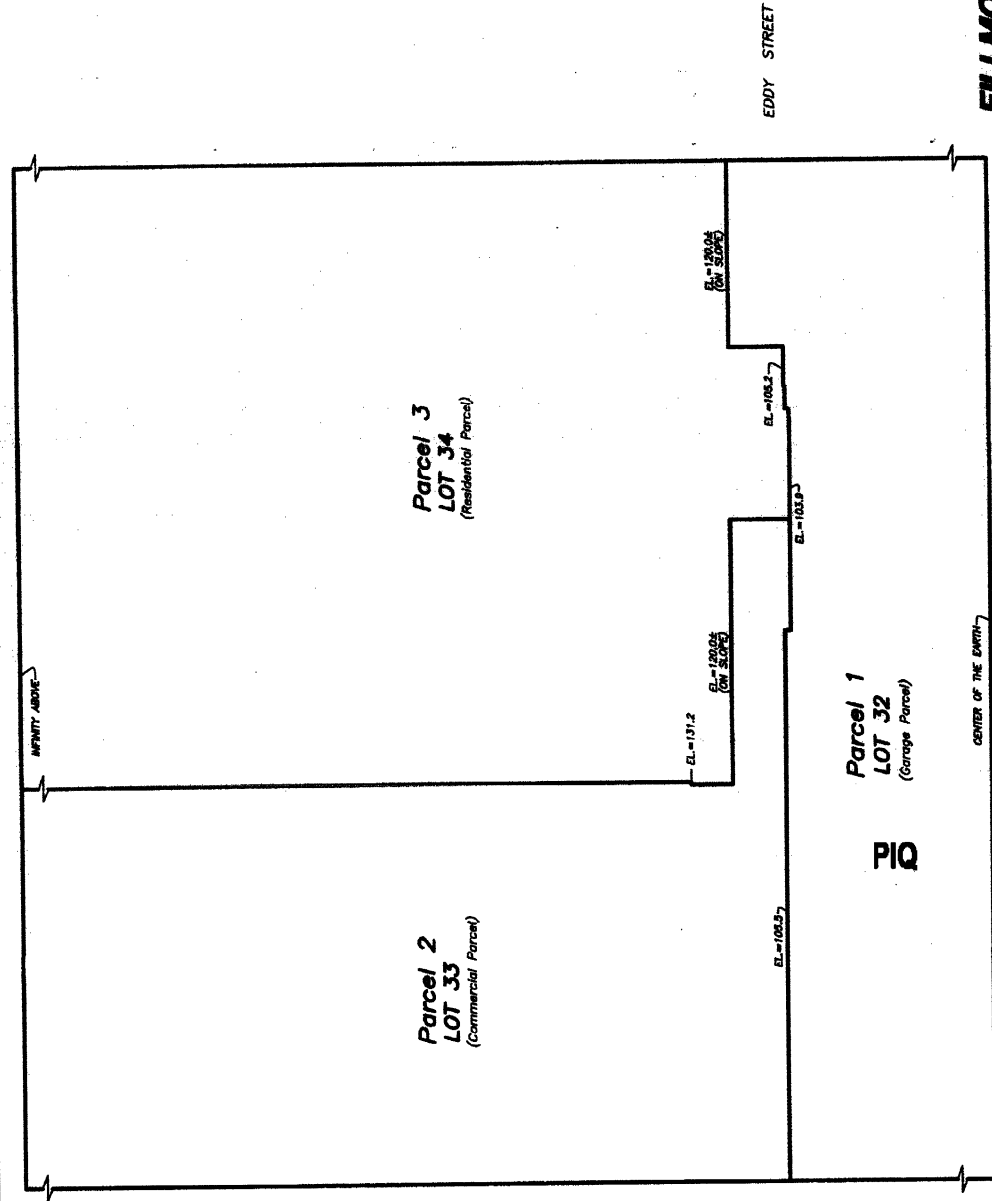
MARCH 2005 SCALE: 1" = 20' SHEET 5 OF 9

FILLMORE STREET

LEVEL B (GROUND LEVEL)
LOWER ELEVATION = AS SHOWN
UPPER ELEVATION = AS SHOWN

PARCEL 1 LOT 32	1.441 SQ.FT.
PARCEL 2 LOT 33	46.408 SQ.FT.
PARCEL 3 LOT 34	5.000 SQ.FT.
TOTAL	52.849 SQ.FT.

Important: This plat is not a survey. It is furnished as a convenience to locate the land in relation to adjoining streets and other lands and not to guarantee any dimensions, distances, bearings or acreage.



**PARCEL MAP
OF
FILLMORE HERITAGE CENTER**

BEING A MERGER AND RESUBDIVISION OF AIRSPACE OF LOTS 14-23, 28 & 30
ALSO BEING A ONE LOT SUBDIVISION FOR CONDOMINIUM PURPOSES
BEING A PORTION OF ASSessor'S BLOCK NO. 732
ALSO BEING A PORTION OF WESTERN ADJUTON BLOCK NO. 306
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

MARTIN M. RON ASSOCIATES, INC.
Land Surveyors

880 Harrison Street, Suite 200
San Francisco, California

MARCH 2005 SCALE: 1" = 20' SHEET 6 OF 9

SECTION A-A

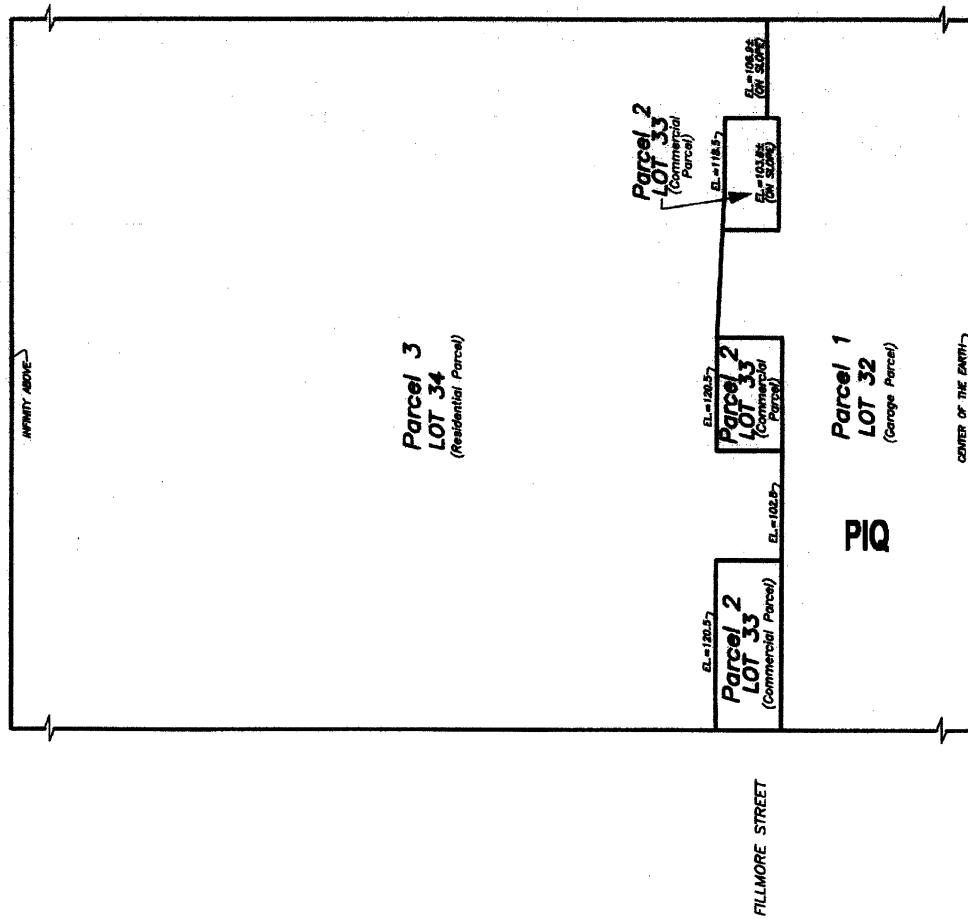
Important: This plat is not a survey. It is furnished as a convenience to locate the land in relation to adjoining streets and other lands and not to guarantee any dimensions, distances, bearings or acreage.

**PARCEL MAP
OF
FILLMORE HERITAGE CENTER**

BEING A MERGER AND RESUBDIVISION OF A PORTION OF LOTS 11-23, 29 & 30
ALSO BEING A ONE LOT SUBDIVISION FOR CONDOMINIUM PURPOSES
BEING A PORTION OF ASSESSOR'S BLOCK NO. 732
ALSO BEING A PORTION OF WESTERN ADJOINING BLOCK NO. 306
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

MARTIN M. RON ASSOCIATES, INC.
Land Surveyors
800 Harrison Street, Suite 200
San Francisco, California

MARCH 2005 SCALE: 1" = 20' SHEET 9 OF 9





Edwin M. Lee, Mayor
Naomi M. Kelly, City Administrator



John Updike
Director of Real Estate

EXHIBIT C

MINIMUM QUALIFICATIONS/COMPLETENESS CHECKLIST

In order for a proposal to be considered, Respondents must follow guidelines for submissions. Minimum qualifications will be met by submitting a completed proposal package, including all required attachments, and by demonstrating through the submission requirements a financial capacity to pay the proposed bid offer, which must be at minimum \$6.5 million.

Proposals must be received by 4:00PM on April 3, 2017. Postmarks will not be considered in judging the timeliness of submissions. Proposals may be delivered in person or mailed to:

City and County of San Francisco
C/O: Real Estate Division
Attention: Request for Proposals: FILLMORE HERITAGE CENTER
General Services Agency
25 Van Ness Avenue, Suite 400
San Francisco, CA 94102

Interested Respondents will submit nine (9) copies of the proposal, separately bound in a sealed envelope clearly marked **“Request for Proposals: FILLMORE HERITAGE CENTER”** to the location listed above. Emailed or fax submissions will not be accepted for consideration. Below is the minimum qualifications checklist to be reviewed by the City. Please refer to the RFP for specific requests within each part of the checklist and more detailed formatting rules.

Company Name _____

Date _____

	To Be Completed by City	
	<u>Check if Yes</u>	<u>City Notes</u>
Introduction/Summary	<input type="checkbox"/>	_____
Proposed Use/Concept and Community Benefits	<input type="checkbox"/>	_____
Development Team Qualifications	<input type="checkbox"/>	_____
Development Team Expertise	<input type="checkbox"/>	_____
Financial Statements	<input type="checkbox"/>	_____

To Be Completed by City
Check if Yes

City Notes

Project Feasibility

☐

Project Schedule

☐

Demonstrated Financial Capability to Pay Bid Offer

**Note: Minimum Bid Price is \$6.5M*

☐

Bid and Offer to Negotiate Exclusively (Exhibit E)

☐

Form SFEC-126 Information (Exhibit G)

☐

Community Benefits Submission Form (Exhibit H)

☐

Earnest Money Deposit Form (Exhibit I)

☐

EXHIBIT D

LIST OF POTENTIAL COMMUNITY PARTNERS

On February 8th, 2017, the City and County of San Francisco (“City”) issued a request for proposal to interested parties (“Respondents”) for the potential sale of real property located at 1300-1330 Fillmore Street (“Property”) in San Francisco.

In January 2016, the City issued a Request for Information in order to gather additional input on the desired uses and community benefits for the Fillmore Heritage Center, as well as to document interest from both prospective buyers and community partners – i.e. those small businesses, nonprofit organizations or individuals who may not themselves have the capital to purchase and operate the Property, but would like to make themselves available to participate on teams.

Some submitters asked us to share contact information only, and some asked that we make their entire proposal available. All of this information is currently available at:

<http://sfgov.org/realestate/documents>

Below includes contact name and email address only. Those below marked with an asterisk (*) have made their full submission available.

Team Members/ Contact Information

Organization: Aerial Sports Foundation

Name: Douglas Burnet; **Email:** d@aerialsports.tv

Organization: Black Film Festival*

Name: Kali O’Ray; **Email:** sfbff@sfbff.org

Organization: Citizens Committee for the Preservation of the African American Heritage Center

Name: Christine Harris; **Email:** Christine.harris2009@gmail.com



Organization: Consultant*

Name: Claudia Polley; **Email:** Claudia1330@gmail.com

Organization: Fillmore Bay Area Media Group*

Name: Majeid Crawford; **Email:** majeidcrawford@gmail.com

Organization: Minnie Bell's, with Marcus Books, and Red Bay Coffee*

Name: Fernay McPherson; **Email:** minniebells@gmail.com

Organization: New Community Leadership Foundation

Name: Daniel Landry; **Email:** danielb.landry@yahoo.com

Organization: Rafiki Coalition for Health and Wellness*

Name: Perry Lang; **Email:** plang@rafikicoalition.org

Organization: Saint John Coltrane African Orthodox Church

Name: Wanika Stephens; **Email:** coltraneaoc@gmail.com

Organization: The Village Project*

Name: Adrian Williams; **Email:** awilliamsassoc@yahoo.com

If you represent a small business, nonprofit organization or simply an individual who may not themselves have the capital to purchase and operate the Property but would like to make themselves available to participate on teams, please complete the attached Team Member Form.

For additional information about the Fillmore community, including additional community organizations, please visit <http://thefillmoredistrict.com>



Fillmore Heritage Center: Request for Interest

TEAM MEMBER

Please complete this form if you are interested in partnering with a Project Lead to enhance the operations and/or the community benefits components of the project but may not have the full financial capability to purchase the property. Respondents may complete a Project Lead form, a Team Member form, or both.

First Name _____ Last Name _____

Company Name (if applicable) _____

Street Address _____

City, State, Zip Code _____

Phone Number _____ E-mail Address _____

Do you live in the Western Addition? Yes _____ No _____

Please provide a brief overview of the uses you see for the Property and how the development would benefit the community:

Please provide a brief summary of the potential uses and/or other community benefits you could bring to the Property:

As a Team Member, please describe the specific role you can play in assisting a Project Lead with the development of this Property:

Please provide any additional comments that may be relevant to the upcoming RFP process:

Please indicate by checking the box whether you would like your submission of this RFI made available to other respondents and the public via the City's website. The purpose is to enable you to form relationships with possible Team Members or Project Leads for the upcoming RFP. By not checking either box, your information will not be made public via the City's website.

☐

Share my Entire Submission

☐

Share my Contact Information Only

Completed Team Member and Project Lead forms should be mailed or scanned and emailed to:

City and County of San Francisco
Real Estate Division
Attention: Fillmore Heritage Center RFI
General Services Agency
25 Van Ness Avenue, Suite 400
San Francisco, CA 94102
Email: RealEstateAdmin@sfgov.org (subject line: "Fillmore Heritage Center – RFI")

For an informational memo on the history of the Property (including a review of existing debt obligations), floor plans, and a list of frequently ask questions that will be updated as needed during both the RFI process and RFP process, please visit:

<http://sfgov.org/realestate/documents>

Your Signature _____ Date _____



Edwin M. Lee, Mayor
Naomi M. Kelly, City Administrator



John Updike
Director of Real Estate

EXHIBIT E

BID AND OFFER TO NEGOTIATE EXCLUSIVELY

To be posted online at: <http://sfgov.org/realestate/documents>

Note: Will be posted on or before February 24th, 2017



Edwin M. Lee, Mayor
Naomi M. Kelly, City Administrator



John Updike
Director of Real Estate

EXHIBIT F

FORM OF EXCLUSIVE NEGOTIATIONS AGREEMENT

To be posted online at: <http://sfgov.org/realestate/documents>

Note: Will be posted on or before February 24th, 2017

EXHIBIT G

FORM SFEC - 126

Please complete information in the spaces below or provide the information as an attachment. If not applicable, please indicate "N/A".

Company Name: _____

Company Address: _____

Please list the names of:

(1) Members of the Company's board of directors:

(2) Company's chief executive officer, chief financial officer and chief operating officer:

CEO: _____

CFO: _____

COO: _____

(3) Any person who has an ownership of 20 percent or more in the Company:

(4) Any subcontractor listed in the bid:

(5) Any political committee sponsored or controlled by the Company:

San Francisco Ethics Commission
25 Van Ness Avenue, Suite 220
San Francisco, CA 94102
Phone: (415) 252-3100
Fax: (415) 252-3112
Email: ethics.commission@sfgov.org
Web: www.sfethics.org



For SFEC use

FORM SFEC-126:
NOTIFICATION OF CONTRACT APPROVAL
(S.F. Campaign and Governmental Conduct Code § 1.126)

a. *Instructions:*

Each City elective officer who approves a contract that has a value of \$50,000 or more in a fiscal year must file this form with the Ethics Commission within five business days of approval. This filing requirement applies if the contract is approved by:

- the City elective officer,
- any board on which the City elective officer serves, or
- the board of any state agency on which an appointee of the City elective officer serves, as described in (d) below.

b. *Who files this notice?*

The City elective officer who approved the contract, whose board approved the contract, or who has an appointee on the board of a state agency that approved the contract, must file this form. However, the City elective officer is not required to file this form if the clerk or secretary of the board on which the officer or appointee serves has filed this form on behalf of the board.

c. *Who is a City elective officer?*

A City Elective Officer is any of the following: Mayor, member of the Board of Supervisors, City Attorney, District Attorney, Treasurer, Sheriff, Assessor, Public Defender, member of the Board of Education of the San Francisco Unified School District, or member of the Governing Board of the San Francisco Community College District.

d. *What is a "board of a state agency" that is covered by this filing requirement?*

For the purposes of this report, the board of a state agency on which an appointee of a City elective officer serves is limited to the following agencies: Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Relocation Appeals Board, and Local Workforce Investment Board.

e. *Is this form required for all contracts?*

No. This form is required if the contract has a total anticipated or actual value of \$50,000 or more, or a combination or series of such contracts, amendments or modifications approved by the same City elective officer or board has a value of \$50,000 or more in a fiscal year.

f. *What happens after this form is filed?*

For a period of six months after the contract is approved, neither the City elective officer nor any political committee that he or she controls may solicit or accept a campaign contribution from the following persons or entities: the party whose contract was approved; the party's board of directors; the party's chairperson, chief executive officer, chief financial officer, or chief operating officer; any person with an ownership interest of more than 20 percent in the party; any subcontractor listed in the bid or contract; or any political committee sponsored or controlled by the contracting party. Nor may any of these persons make a campaign contribution to the City elective officer, a candidate for the office held by such officer, or a political committee controlled by such officer or candidate.

EXHIBIT H

COMMUNITY BENEFITS SUBMISSION FORM

The City and County of San Francisco (“City”) is looking for significant community impact from the repurposing of 1300-1330 Fillmore Street (“Property”) on a scale that meets or exceeds the value difference between the bid price and the appraised value of the property.

Proposals should provide meaningful benefits to the Fillmore corridor, the Western Addition community, and the City as a whole. The proposals should clearly outline and define feasible and sustainable benefits as well as a plan for overseeing and monitoring each proposed benefit. Above all, proposals for the property should think creatively about how to best ensure that the repurposed property provides an overall benefit to the community.

A proposal may include, but not be limited to the following community benefits. Please elaborate as best and detailed as possible (using additional pages as may be necessary), in conjunction with your business plan, how your proposed benefits would help meet the needs listed below. If your proposal does not address one of the types of community benefits listed below, indicate: “N/A” or “None”.

(A) *Does your Proposal establish partnerships with nonprofit organizations or local small businesses? If so, please explain:*



(B) Does your Proposal provide affordable Community Activation Opportunities? Is so, please explain:

(C) Does your Proposal create jobs (short-term and/or permanent)? Are any of these jobs intended for local residents? Please explain:



(D) Does your Proposal provide entrepreneurship opportunities? In particular, are there such opportunities created for minorities or women? Please explain:

Use additional pages as needed, if applicable, please label any sheet "A", "B", "C", "D"



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



Edwin M. Lee
Mayor

Olson Lee
Director

EXHIBIT I

EARNEST MONEY DEPOSIT FORM

On February 10th, 2017, the City and County of San Francisco ("City") issued a request for proposal to interested parties ("Respondents") for the potential sale of real property located at 1300-1330 Fillmore Street ("Property") in San Francisco. The City, on the date indicated below, acknowledges the receipt of the Earnest Money Deposit in the amount of \$1,000.00 in the form of cashier's or certified check, to be cashed and held by the City in its trust account, on behalf of both itself and the interested respondent party pursuant to the terms below. As a respondent, you will receive an email confirmation of your check and also have the opportunity to review additional due diligence materials.

Upon City's receipt of the Earnest Money Deposit, a potential Respondent shall have access to detailed information specific to the Property. After the selection of a proposal, the deposits of all unsuccessful Respondents will be refunded. Within three (3) business days of selection, the successful Respondent will be required to increase its deposit by Nine Thousand Dollars (\$9,000.00), to a total of Ten Thousand Dollars (\$10,000.00). At that point, the entirety of the deposit will become non-refundable and will be used to cover a portion of the City's costs related to project administration. The deposit will increase to five (5) % of the purchase price upon execution of the Purchase and Sale Agreement, and shall be non-refundable except in an event of default by City.

Earnest Money Deposits must be received no later than 4:00PM on April 3, 2017 at:

City and County of San Francisco
Attn: Rally Catapang
Mayor's Office of Housing and Community Development
1 South Van Ness, 5th Floor
San Francisco, CA 94103

Respondent's Name _____

Company Phone _____

Email _____

Respondent's Signature _____

Date _____

To be completed by the City and County of San Francisco and copy returned to applicant as proof of deposit.

Check Received?

Yes ☐

Date _____

No ☐

Initials _____

EXHIBIT J

Local Hire and Prevailing Wage Requirements

(a) Any undefined, initially-capitalized term used in this Exhibit J shall have the meaning given to such term in San Francisco Administrative Code Section 23.61. If Buyer uses the Property for the construction, rehabilitation or expansion of three (3) or more residential units (a "Housing Project"), the requirements of San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements") will apply to the Housing Project. Buyer shall contact City's Office of Economic Workforce and Development ("OEWD") before starting any work on a Housing Project to confirm the specific requirements and otherwise coordinate on the successful completion of the Local Hiring Requirements.

For a Housing Project, Buyer shall include, and shall require its Contractors and Subcontractors to include, a requirement to comply with the Local Hiring Requirements in any Construction Contract with specific reference to San Francisco Administrative Code Section 23.62. Each such Construction Contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Buyer shall cooperate, and require its Contractors and Subcontractors to cooperate, with the City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Local Hiring Requirements when required. Buyer's failure to comply with its obligations under this Section shall constitute a material breach of this Agreement. In addition, City shall have the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party (i.e., Buyer, a Contractor, or a Subcontractor, as applicable).

(b) Any undefined, initially-capitalized term used in this Exhibit J shall have the meaning given to such term in San Francisco Administrative Code Section 23.61. If Buyer uses the Property for the construction of a Housing Project that will exceed the Threshold Amount, Buyer shall, and shall require its Contractors and Subcontractors to, comply with the applicable requirements in San Francisco Administrative Code Section 23.61, including, but not limited to, (1) paying workers performing such work not less than the Prevailing Rate of Wages, (2) providing the same hours, working conditions and benefits as in each case are provided for similar work performed in San Francisco County, (3) complying with certain record keeping, posting, and audit requirements, such as maintaining weekly certified payroll records and submitting them to the City's Office of Labor Standard Enforcement ("OLSE") on request, and (4) employing Apprentices (collectively, "Prevailing Wage Requirements"). Buyer agrees to cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements.

Buyer shall contact, and shall require its Contractors and Subcontractors to contact, OLSE before starting any work on a Housing Project to confirm the specific requirements and otherwise coordinate on the successful completion of the Prevailing Wage Requirements, including the electronic submission of certified payroll records if mutually acceptable to OLSE and the applicable party (i.e., Buyer, Contractor, or Subcontractor, as applicable).

Buyer shall include, and shall require its Contractors and Subcontractors (regardless of tier) to include, the Prevailing Wage Requirements and the agreement to cooperate in City enforcement actions in any Construction Contract with specific reference to San Francisco Administrative Code Section 23.61. Each such Construction Contract shall name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any Contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Buyer's failure to comply with its obligations under this Section shall constitute a material breach of this Agreement. A Contractor's or Subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. For the current Rate of Prevailing Wages, see www.sfgov.org/olse/prevailingwages or call OLSE at 415-554-6235.

(c) At Closing, Buyer and City shall record against the Property in the Official Records of San Francisco a declaration in the form attached as Exhibit 1 (the "**Project Declaration**"). On Buyer's receipt of a final certificate of occupancy for a Housing Project (a "**Completion Certificate**"), Buyer shall deliver a copy of the Completion Certificate to OEWD and OLSE, together with any documents or material not previously delivered to confirm Buyer's satisfaction of the Local Hiring Requirements and the Prevailing Wage Requirements. The Project Declaration shall automatically terminate on the fourth (4th) anniversary of the date of the Completion Certificate. If Buyer decides to build something other than a Housing Project on the Property, receives a final certificate of occupancy for such alternative project, and delivers a copy of such certificate to City's Director of Property, City's Director of Property shall execute and deliver to Buyer a release of the Project Declaration in the form attached as Exhibit B to the Project Declaration (the "**Release of Declaration**"). The Project Declaration shall continue and remain in full force and effect at all times with respect to the Former Street Property until the earlier to occur of the fourth (4th) anniversary of the date of the Completion Certificate and the date that OEWD delivers the Release of Declaration to Declarant.

EXHIBIT 1

PROJECT DECLARATION

[See Attached]

WHEN RECORDED MAIL TO:

Real Estate Division
City and County of San Francisco
25 Van Ness Avenue, Suite 400
San Francisco, CA 94102
Attn: Director of Property

The undersigned hereby declares this instrument to be exempt from Recording Fees (Govt. Code § 27383) and from Documentary Transfer Tax (CA Rev. & Tax. Code § 11922 and SF Bus. and Tax Reg. Code § 1105)

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

APN: _____

DECLARATION OF PROJECT WORK COVENANTS
(_____)

This Declaration of Project Work Covenants ("**Declaration**") is made as of _____, 20__, by _____, a _____ ("**Declarant**"), in favor of the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("**City**").

RECITALS

A. Declarant owns certain real property in the City and County of San Francisco described and depicted in the attached Exhibit A (the "**Former City Property**"), which was owned by City immediately prior to the recordation of this Declaration in the Official Records of San Francisco.

B. Declarant intends to use the Former City Property to _____ (the "**Declarant Project**"), and under San Francisco Administrative Code Section 23.62, if the Former City Property is sold for the construction, rehabilitation or expansion of three (3) or more residential units (a "**Housing Project**"), the Local Hiring Requirements (as defined in Section 1 below) will apply to the construction of the Housing Project, and if the estimated project cost of the Housing Project will exceed the Threshold Amount (as defined in San Francisco Administrative Code Section 23.61), the Prevailing Wage Requirements (as defined in Section 2 below) will apply to the construction of the Housing Project.

D. As a condition of selling the Former City Property to Declarant, Declarant agreed to enter into this Declaration in its capacity as owner of the Former City Property to provide the terms and conditions for such requirements.

AGREEMENT

Now, therefore, in consideration of the City's conveyance of the Former City Property, Declarant agrees as follows:

1. Local Hiring Requirements. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section

23.61. If Declarant uses the Former City Property for the construction, rehabilitation or expansion of a Housing Project, Declarant acknowledges the requirements of San Francisco Administrative Code Section 23.62 (the "**Local Hiring Requirements**") will apply to the Housing Project. Declarant shall contact City's Office of Economic Workforce and Development ("**OEWD**") before starting any work on a Housing Project to confirm the specific requirements and otherwise coordinate on the successful completion of the Local Hiring Requirements.

For a Housing Project, Declarant shall include, and shall require its Contractors and Subcontractors to include, a requirement to comply with the Local Hiring Requirements in any construction contract with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Declarant shall cooperate, and require its Contractors and Subcontractors to cooperate, with the City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Local Hiring Requirements when required. Declarant's failure to comply with its obligations under this Section shall constitute a material breach of this Declaration. In addition, City shall have the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party (i.e., Declarant, a Contractor, or a Subcontractor, as applicable).

2. **Prevailing Wages and Working Conditions.** Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.61. If Declarant uses the Former City Property for the construction of a Housing Project and the estimated project cost of the Housing Project exceeds the Threshold Amount, Declarant shall, and shall require its Contractors and Subcontractors to, comply with the applicable requirements in San Francisco Administrative Code Section 23.61, including, but not limited to, (1) paying workers performing such work not less than the Prevailing Rate of Wages, (2) providing the same hours, working conditions and benefits as in each case are provided for similar work performed in San Francisco County, (3) complying with certain record keeping, posting, and audit requirements, such as maintaining weekly certified payroll records and submitting them to the City's Office of Labor Standard Enforcement ("**OLSE**") on request, and (4) employing Apprentices (collectively, "**Prevailing Wage Requirements**"). Declarant agrees to cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements.

Declarant shall contact, and shall require its Contractors and Subcontractors to contact, OLSE before starting any work on a Housing Project to confirm the specific requirements and otherwise coordinate on the successful completion of the Prevailing Wage Requirements, including the electronic submission of certified payroll records if mutually acceptable to OLSE and the applicable party (i.e., Declarant, Contractor, or Subcontractor, as applicable). Declarant shall include, and shall require its Contractors and Subcontractors (regardless of tier) to include, the Prevailing Wage Requirements and the agreement to cooperate in City enforcement actions in any Construction Contract with specific reference to San Francisco Administrative Code Section 23.61. Each such Construction Contract shall name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any Contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Declarant's failure to comply with its obligations under this Section shall constitute a material breach of this Declaration. A Contractor's or Subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. For the current Rate of Prevailing Wages, see www.sfgov.org/olse/prevailingwages or call OLSE at 415-554-6235.

3. Enforcement. City, but not the general public, may, in its sole discretion, rely on this Declaration to enforce any of the covenants hereunder in addition to any other rights and remedies available to City at law or in equity, including, but not limited to, City's rights under the San Francisco Administrative Code. City shall have the right, but not the obligation, to enforce the Local Hiring Requirements and the Prevailing Wage Requirements and to assess penalties for noncompliance in the amounts specified in San Francisco Administrative Code Sections 23.61 and 23.62. Accordingly, City may sue for and obtain an injunction for specific performance to prevent the breach of or to enforce the observance of the Local Hiring Requirements and the Prevailing Wage Requirements, as well as to pursue any additional rights or remedies available at law or in equity. All rights and remedies available to City under this Declaration or at law or in equity shall be cumulative and not alternative, and invocation of any such right or remedy shall not constitute a waiver or election of remedies with respect to any other available right or remedy. If there is any breach of the covenants hereunder, City shall be entitled to recover all attorneys' fees and costs in connection with City's enforcement activities and actions.

Nothing contained herein shall be deemed to be a gift or dedication to the general public or for any public purposes whatsoever, nor shall it give rights to any party other than the City. Without limiting the foregoing, nothing herein creates a private right of action by any person or entity other than the City. City's failure to enforce any of the restrictions set forth in this Declaration at the time of its violation shall in no event be deemed a waiver of a right to do so subsequently.

4. Binding on Successors; No Merger. This Declaration and the covenants and restrictions set forth herein constitute restrictions and covenants running with the land and shall bind and burden Declarant, in its capacity as owner of the Former City Property, and any successor owner or occupier of the Former City Property (each, a "**Successor Owner**").

5. Priority of Lien. No violation or breach of any provision of this Declaration shall impair, defeat or invalidate the lien of any senior encumbrance, but all provisions hereof shall thereafter be binding upon and effective against any Successor Owner whose title is derived through foreclosure of any encumbrance or acceptance of any deed in lieu of foreclosure.

6. No Waiver. No waiver by City of any violation under this Declaration shall be effective or binding unless and to the extent expressly made in writing by City, and no such waiver may be implied from any failure by City to take action with respect to such violation. No express written waiver of any violation shall constitute a waiver of any subsequent violation in the performance of the same or any other provision of this Declaration.

7. Severability. Should any provision or portion hereof be declared invalid or in conflict with any law, the validity of all remaining provisions shall remain unaffected and in full force and effect.

8. Nature and Purpose of Covenants; Run with the Land. The Local Hiring Requirements and the Prevailing Wage Requirements are for the burden of the Property, Declarant, and each Successor Owner and for the benefit of City. All of such covenants and restrictions are intended to be and are hereby declared to be covenants running with the land pursuant to California Civil Code Section 1460 *et seq.* Declarant and each Successor Owner (excluding any governmental agency), by accepting fee title to some or all of the Former City Property, agrees to be bound by and subject to all of the restrictions, covenants, and limitations set forth in this Declaration.

9. Duration; Release of Declaration. On Declarant's receipt of a final certificate of occupancy for a Housing Project (a "**Completion Certificate**"), Declarant shall deliver a copy of

the Completion Certificate to OEWD and OLSE, together with any documents or material not previously delivered to confirm Declarant's satisfaction of the Local Hiring Requirements and the Prevailing Wage Requirements. This Declaration shall automatically terminate on the fourth (4th) anniversary of the date of the Completion Certificate. If Declarant decides to build something other than a Housing Project on the Former City Property, receives a final certificate of occupancy for such alternative project, and delivers a copy of such certificate to City's Director of Property, City's Director of Property shall execute and deliver to Declarant a release of the Project Declaration in the form attached as Exhibit B (the "**Release of Declaration**"). This Declaration shall continue and remain in full force and effect at all times with respect to the Former City Property until the earlier date (the "**Termination Date**") to occur of (a) the fourth (4th) anniversary of the date of the Completion Certificate and (b) the date that OEWD delivers the Release of Declaration to Declarant. At Declarant's request, City shall execute any reasonable documentation required to remove the lien of this Declaration from the Former City Property after the Termination Date.

10. Release, Waiver and Indemnification. Neither the City nor any of its commissions, departments, boards, officers, agents or employees (collectively, the "**City Parties**") shall be liable for any breach of any of the Local Hiring Requirements or the Prevailing Wage Requirements, for the failure to monitor or enforce any of the Local Hiring Requirements or the Prevailing Wage Requirements, or for any matter relating to this Declaration or the construction or development of any project at the Former City Property (collectively, the "**Released Matters**"). Declarant, on its own behalf and on behalf of its successors in interest to the Former City Property, fully RELEASES, WAIVES AND DISCHARGES forever any and all claims against, and covenants not to sue, the City Parties for anything arising from or relating to the Released Matters. Declarant acknowledges that the releases contained herein includes all known and unknown, direct and indirect, disclosed and undisclosed, and anticipated and unanticipated claims. The foregoing waiver, release and indemnification shall survive any expiration or termination of this Declaration.

11. Severability. Should the application of any provision of this Declaration to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Declaration shall not be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of the Declarant and shall be reformed to the extent necessary to make such provision valid and enforceable.

12. No Joint Venturers or Partnership; No Authorization. This Declaration does not create a partnership or joint venture between City, Declarant or any Successor Owner as to any activity conducted by Declarant or any Successor Owner in connection with a Housing Project or otherwise at the Former City Property. Neither Declarant nor any Successor Owner shall be deemed a state actor with respect to any activity conducted by such party on, in, around or under the Former City Property.

13. General Provisions. (a) This Declaration may be amended or modified only by a writing signed by the City and Declarant or any Successor Owner. (b) No waiver by City of any of the provisions of this Declaration shall be effective unless in writing and signed by City, and only to the extent expressly provided in such written waiver. No waiver shall be deemed a subsequent or continuing waiver of the same, or any other, provision of this Declaration. (c) All approvals and determinations of City requested, required or permitted hereunder may be made in the sole and absolute discretion of the City's Labor Standards Enforcement Officer or his or her designee with respect to the Prevailing Wage Requirements, and the Director of OEWD or his or her designee with respect to the Local Hire Requirements. (d) This Declaration contains the entire agreement between the parties and all prior written or oral negotiations, discussions, understandings and agreements are merged herein. (e) The section and other headings of this

Declaration are for convenience of reference only and shall be disregarded in the interpretation of this Declaration. (f) Time is of the essence in each and every provision hereof. (g) This Declaration shall be governed by and construed in accordance with California law. (h) If Declarant, any Successor Owner, or City commences an action or a dispute arises under this Declaration, the prevailing party shall be entitled to recover from the other party reasonable attorneys' fees and costs. For purposes hereof, reasonable attorneys' fees of the City shall be based on the fees regularly charged by private attorneys in San Francisco with comparable experience notwithstanding the City's use of its own attorneys. (i) If any Successor Owner consists of more than one person or entity, then the obligations of each such person or entity shall be joint and several.

IN WITNESS WHEREOF, Declarant has executed this Declaration as of the date first written above.

DECLARANT:

_____,
a _____

By: _____
Name: _____
Title: _____

Date: _____

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
[Name]
Director of Property

Date: _____

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____
[Name]
Deputy City Attorney

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
) ss
County of San Francisco)

On _____, before me, _____, a notary public in and for said State, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
) ss
County of San Francisco)

On _____, before me, _____, a notary public in and for said State, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT A

Legal Descriptions

GARAGE PARCEL

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SAN FRANCISCO, COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL A:

Parcel 1, Lot 32, (Garage Parcel) as shown and delineated upon that certain Map entitled, "Parcel Map of Fillmore Heritage Center Being a Merger and Resubdivision of Airspace of Lots 14-23, 29 & 30, Also Being a One Lot Subdivision for Condominium Purposes, Being a Portion of Assessor's Block No. 732, Also Being a Portion of Western Addition Block No. 306", filed for record in the Office of the Recorder in and for the City and County of San Francisco on March 22, 2005 in Book 90 of Condominium Maps Pages 26 through 34, inclusive.

PARCEL B:

Easements as described and delineated in that certain instrument entitled "Fillmore Heritage Center Reciprocal Easement and Maintenance Agreement" recorded September 9, 2005, Instrument No.2005-I027471-00 Official Records, upon the terms and conditions contained therein.

Assessor's Block 0732, Lot 032

COMMERCIAL PARCEL

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SAN FRANCISCO, COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL A:

Parcel 2, Lot 33, (Commercial Parcel) as shown and delineated upon that certain map entitled, "Parcel Map of Fillmore Heritage Center Being a Merger and Resubdivision of Airspace of Lots 14-23, 29 & 30, Also Being a One Lot Subdivision for Condominium Purposes, Being a Portion of Assessor's Block No. 732, Also Being a Portion of Western Addition Block No. 306" filed for record in the Office of the Recorder in and for the City and County of San Francisco on March 22, 2005 in Book 90 of Condominium Maps pages 26 through 34, inclusive.

PARCEL B:

Easements as described and delineated in that certain instrument entitled "Fillmore Heritage Center Reciprocal Easement and Maintenance Agreement" recorded September 9, 2005, Instrument No. 2005-I027471-00 Official Records, upon the terms and conditions contained therein.

Assessor's Block 0732, Lot 033

EXHIBIT B

Form of Release of Declaration

WHEN RECORDED MAIL TO:

Real Estate Division
City and County of San Francisco
25 Van Ness Avenue, Suite 400
San Francisco, CA 94102
Attn: Director of Property

The undersigned hereby declares this instrument to be exempt from Recording Fees (Govt. Code § 27383) and from Documentary Transfer Tax (CA Rev. & Tax. Code § 11922 and SF Bus. and Tax Reg. Code § 1105)

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

APN: _____

TERMINATION OF PROJECT WORK COVENANTS

(_____)

This Termination of Project Work Covenants ("**Termination**") is made as of _____, 20____, by the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("**City**").

A. Pursuant to a Quitclaim Deed recorded in the Official Records of San Francisco County on _____ as Document No. _____, City sold certain real property in the City and County of San Francisco described in the attached Exhibit A (the "**Former City Property**") to _____, a _____ ("**Buyer**").

B. At the time Buyer acquired the Former City Property from City, Buyer intended to use the Former City Property to _____.

C. As further described in that certain Declaration of Project Work Covenants recorded in the Official Records of San Francisco County on _____ as Document No. _____ (the "**Declaration**"), if the Former City Property was sold for the construction, rehabilitation or expansion of three (3) or more residential units (a "**Housing Project**"), the requirements of San Francisco Administrative Code Section 23.62 would apply to the Housing Project, and if the estimated project cost of the Housing Project exceeded the Threshold Amount (as defined in San Francisco Administrative Code Section 23.61), the requirements of San Francisco Administrative Code Section 23.61 would apply to the Housing Project.

D. As a condition of selling the Former City Property to Buyer, Buyer agreed to enter into the Declaration.

E. Buyer or its successor in interest to the Former City Property used the Former City Property for the construction of a non- Housing Project development, and City agrees the Declaration is terminated in its entirety.

F. This Termination shall bind and inure to the benefit of the parties and their respective heirs, successors, and permitted assigns.

IN WITNESS WHEREOF, City has executed this Termination of Project Work Covenants as of the day and year first above written.

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
[Name]
Director of Property

Date: _____

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____
Deputy City Attorney

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
) ss
County of San Francisco)

On _____, before me, _____, a notary public in and for said State, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)