

AGENDA ITEM 9
Treasure Island Development Authority
City and County of San Francisco
Meeting of May 11, 2022

Subject: Resolution Approving and Authorizing the Execution of a Third Amendment to Professional Service Agreement between the Treasure Island Development Authority and Associated Right of Way Services Inc., a California corporation to Provide Consulting and Advisory Services in Implementing the Transition Housing Rules and Regulations for the Treasure Island/Yerba Buena Island Development Project to , extend the Term through December 31, 2022 and to Increase the Contract Amount to \$2,120,000 (Action Item)

Contact: Robert Beck, Treasure Island Director

SUMMARY

At the time of the Second Amendment of the Agreement, Staff had intended to issue a Request for Proposals (“RFP”) to provide services to support the implementation of the Transition Housing Rules and Regulations (“THRR”) for The Villages at Treasure Island over the next several years of development and to select a provider prior to expiration of the Agreement to provide for continuity of service to the residents and, should a new provider be selected, to provide for a transfer of knowledge, records and communications. Unfortunately, we were unable to achieve that goal.

In order to continue providing uninterrupted service for Villages’ Residents, Staff requests that the Term of the Agreement be extended through December 31, 2022, and the contract sum be increased from \$2,000,000 to \$2,120,000.

BACKGROUND

In June of 2011, the Board of Supervisors approved the entitlement and transaction documents for the development of Treasure Island, including the Disposition and Development Agreement (“DDA”), the Housing Plan, and the THRR. The THRR provided certain transitional housing benefits to residents of The Villages at Treasure Island – the Island’s market-rate rental housing – at the time the documents were approved.

From 2011 to 2017, the Treasure Island Development Authority (the “Authority”) contracted with a relocation advisory firm to assist in the administration of the THRR for a series of Interim Moves of residents. In 2016, with the development of new permanent housing on the horizon, the Authority issued a Request for Qualifications (“RFQ”) for services for this new phase of development.

On August 1, 2017, the Authority entered into a Professional Service Agreement (the “Agreement”) with Associate Right of Way Services, Inc., a California corporation (“AR/WS”), for consulting and advisory services to implement the THRR and in particular to engage every eligible household to advise them of their benefits and housing options, to gather information on household composition, and to assist the Authority in developing the policies and procedures necessary to implement the THRR. Under the Agreement Authority staff have negotiated Task Orders with AR/WS for specific periods of performance for defined scopes with specified objectives. To date, Authority staff have authorized eight Task Orders with AR/WS.

The Agreement was to have a term of five years, through July 31, 2022, and included two options to extend the term for a total of four additional years. The initial budget authority under the Agreement was \$1,250,000. In December 2019, the Board authorized an increase in the contract amount to \$1,670,000 and in February 2021, Authority Board increased the Agreement to \$2,000,000 and encouraged the Director to issue a new RFP to provide Advisory Services beyond the Term of the current Agreement.

THE THRR

The THRR was created to provide Transitioning Households (as defined in the THRR) certain housing opportunities and transition benefits as part of the Project to those households who were living in The Villages at Treasure Island (“The Villages”) at the time of the approval of the DDA on June 2011. These residents are identified as Pre-Development and Disposition Agreement (“Pre-DDA”) households.

A separate Treasure Island Homeless Development Initiative Transition Housing Plan provided for the transition of affordable housing residents on Treasure Island into new affordable units to be developed in partnership with One Treasure Island member agencies – Swords to Plowshares, Catholic Charities, Community Housing Partnership, and HealthRIGHT 360.

Under the THRR, Pre-DDA Households were to receive the opportunity for a replacement unit in a building to be constructed by the Authority (a “Transition Unit”), an affordable unit (if they met income eligibility requirements), premarketing opportunities and down payment assistance if they wish to purchase a new unit on Treasure Island, an In-Lieu payment if they elect not to take a Transition Unit, and advisory services to help them navigate these options. In addition to assisting the Authority in developing policies and procedures for implementing the THRR, a central responsibility of AR/WS is to be an objective advisor to eligible residents to ensure that they understand all of their benefits options so that they can make the best choice for their household.

On December 11, 2019 meeting of the Authority Board of Directors, Authority Board approved Resolution 07-19 authorizing a Second Amendment to the THRR expanding housing opportunities to “Post-Development and Disposition Agreement” (“Post-DDA”) residents. Post-DDA residents are defined as those who became leaseholders at The Villages between June 29, 2011 and December 11, 2019. Specifically, the Second Amendment to the THRR allowed Post-DDA eligible residents to:

1. Receive Pre-marketing opportunities for market-rate housing; and
2. Receive Priority in newly constructed affordable housing opportunities (affordable for-rent or BMR for-sale) when income-qualified.

In implementing the Second Amendment to the THRR, Post-DDA residents' housing opportunities are subordinate to Pre-DDA households' housing opportunities.

AUTHORITY STAFFING & CONTRACT STATUS

Authority currently has several vacant positions which we are actively seeking to fill. A member of our commercial leasing staff assists the Director in managing the Agreement and implementing the THRRs and our transition obligations, but we do not have the available staff or appropriate expertise to bring the services provided by AR/WS in-house.

One of the positions that we are seeking to hire will have primary responsibility for the Authority's housing programs – planning for the development of the Authority's parcels, coordinating with active affordable developers (currently Mercy Housing and Chinatown Community Development Center), coordinating with market-rate developers, implementing the THRR, coordinating with MOHCD, etc. Because of the breadth of the planned responsibilities for this position, they would not be able to also assume the tasks currently performed by AR/WS, but would have lead responsibility for managing the services provided under the Agreement.

At this time, we have very nearly exhausted the contract authority established by the Second Amendment. If the proposed Third Amendment is not authorized, we will need to terminate AR/WS's services effective immediately.

TRANSITION TIMELINE

Exhibit B to this staff report summarizes the properties that will be developed over the next three years. Cumulatively, these buildings will provide 133 units into which Pre-DDA Households could potentially relocate of which 110 will be affordable units

Each category of affordable housing unit has unique household income requirements. Inclusionary for-sale units will be priced to be affordable to households earning between 80-120% of Area Median Income ("AMI") although individual units within a particular building will be priced for a specific income level – for instance, a individual property might include four 2-bedroom units with one priced at 80% AMI, two priced at 100% AMI, and a fourth priced at 120% AMI. Inclusionary for-rent units are to be priced at 60% of AMI per the Housing Plan, while the affordable units in Authority buildings may vary in accordance with funding and program requirements their rents are expected to be affordable, on average, to households with incomes at 50% of AMI.

Based upon the information gathered in AR/WS interviews with Pre-DDA Households, one-third or more of those households may qualify for some form of affordable housing. For each household, the number of bedrooms for which they will be eligible, the household members

eligible to relocate to the replacement unit, and the rent or housing payment they will be required to make will differ. As a result, an affordable unit may not be attractive to an individual household even if they meet the income eligibility requirements. For those households that may qualify, we will need to provide advisory services to help them understand the trade-offs between an affordable unit and a THRR Transition Unit. We will also want to advise Post-DDA residents of these opportunities to the extent that not all of these 110 units will be occupied by Pre-DDA Households.

Twenty-three units in the Mercy Housing building will be non-income constrained Transition Units available to any qualifying Pre-DDA Household. On May 5th we held a Legacy Household Ranking with support from AR/WS and MOHCD to determine the order in which our 164 Legacy Households will be offered Transition Units as they become available. The highest ranking of these households will now require additional Advisory Services as they assess their options.

Our third and fourth planned Authority Buildings will be developed in partnership with Community Housing Partnership (“CHP”) and HealthRIGHT 360. Which of these projects will be constructed first will depend upon our success in securing funding for their construction, but we anticipate completing one of the buildings in 2025 and the second in 2026 or 2027. Because they serve different populations, they each are eligible for distinct outside funding sources although a significant portion of their funding will still come from project-generated or other local sources.

The CHP building will provide replacement housing for the 114 in former Navy units households they currently manage on Treasure Island and will not have any non-income constrained Transition Units or new affordable units. The HealthRIGHT 360 building will house treatment and transitional housing programs and will not include any permanent housing units although we may co-develop this building on a site which could support both the HealthRIGHT 360 facilities and an independently managed senior housing building which could potentially include some non-income constrained Transition Units. It will not be until we develop our fifth Authority housing site, however, that we will be able to provide a significant number of additional non-income constrained Transition Units, and it will be more than a decade before we are able to offer Transition Units to all of the eligible Pre-DDA Households.

The time that it will take to receive a non-income constrained Transition Unit will, therefore, be another significant factor for a Pre-DDA Household to consider when deciding whether to pursue an affordable replacement unit.

DOWN PAYMENT ASSISTANCE

The THRR provide that Pre-DDA households are offered a Down Payment Assistance when choosing to purchase a new for-sale unit on Treasure Island. The THRR describes how the amount of this payment is calculated.

The first for-sale condominiums on Yerba Buena Island (the Bristol) was marketed in Q4 of 2021. There is 14 BMR units in the Bristol. Deadline to submit applications to Mayor’s Office of Housing and Community Development (MOHCD) was January 18, 2022 and the lottery was held

on February 8, 2022. Eight households from The Villages had submitted applications and currently five households are working with MOHCD to complete the homeownership process and are expected to take ownership of their new homes in June.

AR/WS assisted MOHCD with providing tenant information for priority ranking, and guided residents in completion of first-time homeownership.

EARLY IN-LIEU PAYMENTS

The THRR provide that when Pre-DDA households are required to make an Interim Move (to another unit on Treasure Island) or Permanent Move (to a newly constructed Transition Unit), they are to be offered an “In-Lieu Payment” if they choose to move off of the island rather than relocated to a replacement unit or Transition Unit. The THRR prescribe how the amount of this payment is calculated.

The THRR also included a provision that should the schedule for constructing Transition Units be delayed, the Authority would provide an opportunity for eligible Pre-DDA Households an opportunity to take an “Early In-Lieu Payment” rather than requiring the household to wait until a Transition Unit was offered or an Interim Move required. The development has been delayed by legal challenges to the Environmental Impact Report and the pace of design and permitting, and in May 2019 the Authority elected to extend the opportunity for Early In-Lieu Payments to eligible Pre-DDA Households that wished to leave Treasure Island.

AR/WS prepared materials to help inform residents of the Early In-Lieu Payment Option, fielded inquiries from residents, and, to date, have assisted fifty-four households in processing their In-Lieu Payment requests.

SCOPE OF SERVICES

Although the Project is a multi-year, multi-phased development, there is a continuing and on-going need to advise households of their options under the THRR, process Early In-Lieu payment benefits, assist residents in navigating the process to certify eligibility for affordable housing, and maintain demographic data necessary to plan the construction of transition housing. Implementing the THRR requires close coordination and collaboration with MOHCD, The Villages property management, and the Project’s individual affordable and market-rate housing developers, as well as the City Attorney’s Office.

AR/WS’ has succeeded in engaging 100% of Pre-DDA households and advising Post-DDA residents of the new opportunities provided in the Second Amendment to the THRR.

The proposed budgetary authority will allow AR/WS to continue providing Authority Staff with consulting and advisory services until an RFP process has been completed and a contract awarded for the continuation of these services.

BUDGET IMPACT

The Third Amendment to the Professional Service Agreement increases the level of funding provided to Associated Right of Way Services Inc. by \$120,000.00. Sufficient funds have been included in the Authority FY 2022-23 budget for the services anticipated in this fiscal year.

RECOMMENDATION

Authority Staff recommends the Authority Board approve the proposed Third Amendment to the Professional Services Agreement between the Treasure Island Development Authority and Associate Right of Way Services, Inc., to extend the contract Term through December 31, 2022, increase the total not-to-exceed contract amount to \$2,120,000, and authorize the Treasure Island Director to execute said Third Amendment.

EXHIBITS

Exhibit A: Third Amendment to the AR/WS Agreement

Exhibit B: Upcoming Transitional Housing Opportunities

Prepared by: Robert P. Beck, Treasure Island Director

THIRD AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

THIS THIRD AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT (this “Third Amendment”), dated for reference purposes only as of July 1, 2022, is by and between the TREASURE ISLAND DEVELOPMENT AUTHORITY, a California nonprofit public benefit corporation (the “Authority”), and Associated Right of Way Services, Inc., a California corporation (the “Contractor”).

RECITALS

A. The Authority and the Contractor entered into that certain Professional Services Agreement dated for reference purposes as August 1, 2017 (the "Original Agreement"), to assist in the creation of relocation plans and to provide advisory and consulting services for implementation of the Transition Housing Rules and Regulations of the Treasure Island / Yerba Buena Island Development, as more particularly described in the Original Agreement.

B. The Authority and the Contractor entered into a First Amendment to Professional Agreement dated as of December 11, 2019 (the “First Amendment”) and a Second Amendment to Professional Agreement dated as of February 16, 2021 each to amend the Original Agreement to increase Compensation.

C. The Authority and the Contractor desire to amend the Original Agreement to extend the Term and increase the annual Scope of Services and not to exceed Contract Amount on the terms and conditions set forth in this Third Amendment

D. The Original Agreement, First Amendment, Second Amendment, and this Third Amendment shall collectively be referred to as the “Agreement”. All capitalized terms used herein but not otherwise defined shall have the meaning given to them in the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the Authority and the Contractor hereby amend the Agreement as follows:

AGREEMENT

1. Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth herein.

2. Effective Date. The effective date of this Third Amendment shall be July 1, 2022 (the “Effective Date” of the Original Agreement remains August 1, 2017).

3. Term. The Term of the Agreement in Section 2.1 of the Original Agreement shall be amended to read as follows:

"The term of this Agreement shall commence on the Effective Date and expire on December 31, 2022, unless earlier terminated as otherwise provided herein."

3. **Compensation.** Section 3.3.1 of the Original Agreement shall be amended to read as follows:

"**3.3.1 Payment.** Contractor shall provide an invoice to the City on a monthly basis for Services completed in the immediate preceding month, unless a different schedule is set out in Appendix B, "Calculation of Charges." Compensation shall be made for Services identified in the invoice that has been satisfactorily performed. Payment shall be made within 30 calendar days of receipt of the invoice, unless the City notifies the Contractor that a dispute as to the invoice exists. In no event shall the amount of this Agreement exceed two million one hundred and twenty thousand dollars (\$2,120,000). The breakdown of charges associated with this Agreement appears in Appendix B, "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth herein.

No charges shall be incurred under this Agreement nor shall any payments become due to Contractor until reports, services, or both, required under this Agreement are received from Contractor and approved by the Authority as being in accordance with this Agreement. Authority may withhold payment to Contractor in any instance in which Contractor has failed or refused to satisfy any material obligation provided for under this Agreement.

In no event shall Authority be liable for interest or late charges for any late payments."

4. **Counterparts.** This Third Amendment may be executed in counterparts with the same force and effect as if the parties had executed one instrument, and each such counterpart shall constitute an original hereof.

5. **Full Force and Effect.** Except as specifically amended herein, the terms and conditions of the Sublease shall remain in full force and effect.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Authority and the Contractor have executed this Third Amendment to Agreement at San Francisco, California, as of the date first above written.

AUTHORITY	CONTRACTOR
<p>TREASURE ISLAND DEVELOPMENT AUTHORITY</p> <p>By: _____ Robert Beck Treasure Island Director One Avenue of the Palms, Suite 241 San Francisco, CA 94130</p> <p>Approved as to Form:</p> <p>David Chiu City Attorney</p> <p>By: _____ Deputy City Attorney</p>	<p>Associated Right of Way Services, Inc., a California Corporation</p> <p>By: _____ Larry Castellanos, SR/WA Vice President City vendor number: 73050</p>

Appendix

- A: Scope of Services
- B: Calculation of Charges

Appendix A

Scope of Services

Associated Right of Way Services, Inc. (AR/WS) is currently under contract with the City and County of San Francisco to provide services to the Treasure Island Development Authority (TIDA) to support its efforts to implement Transition Housing Rules and Regulations (THRR) through June 30, 2022. This Third Amendment to the contract provides for services to be extended through December 31, 2022.

The following services will be performed when requested by TIDA. TIDA may exercise in its sole discretion all of the work to be performed upon request as found in the Scope of Work and the Hourly Rate Schedule of the Agreement and will negotiate Task Orders to AR/WS as needed.

Pre-DDA General Scope of Services:

1. Conduct Household Needs Assessment
Determine Transitioning Household Eligibility and Unit Needs.
 - a. Develop and implement a Community Engagement Plan including but not limited to conducting meetings, facilitating discussions, identifying and implementing as-needed language interpretation and translation services and strategies for non-English speaking households.
 - b. Interview, evaluate and catalogue all resident households. This includes but is not limited to the THRR's Required Information for Option and military veteran status.
 - c. Analyze household income and composition to determine resident household eligibility for Transition Unit.
 - d. Provide advisory services to Transitioning Households to explain eligibility requirements and to aid in their understanding of Transition Housing Benefits.
 - e. Assist Transitioning Households with understanding potential costs and/or benefits associated with the Early In-Lieu Cash Payment Option.

2. Development and Implementation of Plan for Transitioning Household Interim Moves
Lead the development of forms and the implementation of policies and procedures necessary to support an effective move from an existing unit to another existing unit.
 - a. Create communication plans for resident engagement including identifying and implementing as-needed language interpretation and translation services strategies for non-English speaking households.
 - b. Provide advisory services to Transition Households to aid in their understanding of Transition Benefit Options and the Early In-Lieu Cash Payment Option.
 - c. Participate in and/or facilitate on-Island community meetings with residents.
 - d. Develop educational program materials for residents, as needed, to explain Transition Housing Benefit Options and eligibility requirements.
 - e. Consult with TIDA on project timelines.
 - f. Develop and refine process for Interim Moves unit selection.
 - g. Implement and assist in the unit selection process.
 - h. Develop and manage tracking system for Interim Moves unit selection.

- i. Develop a cost estimate to implement Interim Moves and manage Transition Benefits Option claims, including reimbursement of Moving Expense per the THRR.
 - j. Consider how the program Interim Moves will affect other interim moves or long-term moves in future phases, and make recommendations to ensure that the program can be implemented consistently over time.
 - k. Advise TIDA on a general leasing strategy to ensure sufficient availability of residential units as needed through the development.
 - l. Review and revise pertinent documents as required for Implementation Plan and tasks, including letters, notices to move, forms, summaries, and brochures.
3. Development and Implementation of Plans for Transitioning Households Long-Term Moves
- Lead the development and implementation of policies, procedures and forms necessary to support an effective move for Long-Term Moves to newly constructed units.
- a. Create communication plans for resident engagement including identifying and implementing as-needed language interpretation and translation services and strategies for non-English speaking households
 - b. Provide advisory services to Transitioning Households to aid in their understanding of Transition Benefit Options and Early In-Lieu Cash Payment Option.
 - c. Participate in and facilitate on-Island community meetings with residents.
 - d. Develop educational program materials for resident understanding of Transition Household Benefit Options, eligibility of a Transition Unit and Implementation Plan.
 - e. Create and implement a Pathway to Homeownership Campaign to inform, educate and engage households in purchasing Market-Rate and Below Market-Rate Housing.
 - f. Prepare a timeline for Long-Term Moves that meets the Project's overall timeline.
 - g. Develop criteria and a process (refine process) for Long-Term Moves unit selection.
 - h. Implement and assist in the Long-Term unit selection process.
 - i. Develop and manage tracking system for Long-Term Moves unit selection.
 - j. Develop a cost estimate to implement Long-Term Moves and manage Transition Benefits Option claims, including reimbursement of Moving Expense per THRR.
 - k. Advise TIDA on a general leasing strategy to ensure sufficient availability of residential units as needed throughout the development.
 - l. Inform and assist with the placement of households in Master Developer's rental and for sale below-market Inclusionary Units for households that income qualify.
 - m. Assist with implementation of the Purchase Assistance Options, including pre-marketing assistance and homeownership training to eligible Transitioning Households.
 - n. Represent TIDA in stakeholder meetings, hearings and make presentations.
 - o. Review and revise pertinent documents as required for Implementation Plan and task, including letters, notices to move, forms, summaries and brochures.
4. Moving Assistance
- If requested by TIDA, provide Moving Assistance to Transitioning Households that make Interim Moves and that select the Transition Unit Option for Long-Term Move, including transportation of personal property, packing, unpacking and insurance coverage while in transit.

5. As-Needed Consulting Services

Provide additional consulting services, as needed, on an on-going basis to implement the THRR, to include utilization of outside counsel if pre-approved by the San Francisco Office of the City Attorney.

Post-DDA General Scope of Services:

1. Conduct Household Needs Assessment for Post-DDA Households

Determine Post-DDA Household Eligibility and Unit Needs.

- a. Develop and implement a Community Engagement Plan including but not limited to conducting meetings, facilitating discussions, identifying and implementing as-needed language interpretation and translation services and strategies for non-English speaking households.
- b. Interview Post-DDA Households and evaluate housing needs. This includes but is not limited to the military veteran status.
- c. Determine eligibility for affordable for-rent or Below Market-Rate for sale housing opportunities (“affordable housing opportunities”).

2. Create and Implement Post-DDA Outreach Campaigns

Lead the development and implementation of outreach efforts, outreach materials, policies, procedures and forms necessary to support the move of Post-DDA Households into newly constructed affordable housing and market-rate opportunities.

- a. Create and implement a Post-DDA Outreach Campaign to inform, educate and engage Post-DDA Households in renting affordable housings.
- b. Create and implement a Pathway to Homeownership Campaign to inform, educate and engage Post-DDA households in purchasing Market-Rate and Below Market-Rate Housing
- c. Facilitate community meetings to engage the Post-DDA community. Community meetings will provide a forum for information sharing and individual engagement related to affordable housing rental opportunities and to purchasing Market-Rate and Below Market-Rate Housing.
- d. Support all individual and group engagement with as-needed language interpretation and translation services for non-English speaking households.
- e. Provide advisory services for Households to sign up Households for the Premarketing Notice List, prepare for homeownership with Homebuyer Education courses, and understand the lottery system for the Unit Selection and Assignment process for housing opportunities.
- f. Represent TIDA in stakeholder meetings, hearings and make presentations.

3. Develop and Maintain Pre-Marketing Notice List for Post-DDA Households

**Appendix B
Calculation of Charges**

Potential Units Available for Legacy Households and Legacy Residents between 2021-2024

Authority Sites

TICD Developments

Parcel	Projected Completion	Total Projected Units (inc. manager units)	Projected Max Affordable Units in Authority Developments (DAHLIA)	Projected Transition Units in Authority Developments (Outside of DAHLIA)	Projected Homeless Units in Authority Developments (Outside of DAHLIA)	Inclusionary For Rent (DAHLIA)	Inclusionary For Sale (DAHLIA)	Units Potentially Available for Legacy Household or Legacy Resident
C3.2/Maceo May	2021 - Q4	105	0	0	104	0	0	0
Bristol/ YBI	2021 - Q4	110	0	0	0	0	14	14
C2.2	2023 - Q3	176	0	0	0	9	0	9
C2.3	2023 - Q3	114	0	0	0	0	6	6
C3.4	2023 - Q3	160	0	0	0	0	8	8
B1-2	2023 - Q4	120	0	0	0	6	0	6
C2.4	2023 - Q4	248	0	0	0	24	0	24
C3.1/ MHC+CC	2024 - Q1	<u>138</u>	<u>43</u>	<u>23</u>	<u>71</u>	<u>0</u>	<u>0</u>	<u>66</u>
Totals		1,171	43	23	175	39	28	133

Definitions

Legacy Household Market rate households living at The Villages at Treasure Island at the time the DDA was executed (June 2011) are entitled to a replacement unit or other benefits as defined in TIDA’s Transition Housing Rules and Regulations are known as “Legacy Households (these tenants were formerly known as “Pre-DDA Households”).

Legacy Resident Market rate households living at The Villages at Treasure Island at the time the DDA was executed (June 2011) that choose to decrease their household size and are eligible for affordable housing are known as Legacy Residents.

Vested Resident Market rate tenants living at The Villages at Treasure Island after the execution of the DDA and up until December 11, 2019, are known as “Vested Residents” (these tenants were formerly known as “Post-DDA Tenants”) and are eligible for new affordable units if the household income-qualifies for affordable housing. Vested Resident eligibility is subordinate to Legacy Resident eligibility.

AR/WS FEE SCHEDULE

CONSULTING CATEGORY	RATE
Principal Consultant	\$250.00
Managing Consultant	\$210.00
Consultant III	\$160.00
Consultant II	\$140.00
Consultant I	\$120.00
Right of Way Technician	\$95.00
Administrative Support	\$75.00
Appraisal Reports	Lump Sum
Appraiser III (MAI) (Hourly)	\$225.00
Appraiser II (Hourly)	\$205.00
Appraiser I (Hourly)	\$180.00
Subcontractors	Cost + 10%
Preparation for Court Appearances	\$300.00
Depositions, Court Appearances, Arbitrations / Mediations, Hearings, and Testimony	\$400.00

1 (Professional Service Agreement with Associated Right of Way Services, Inc.)

2 **Resolution Approving and Authorizing the Execution of a Third Amendment to**
3 **Professional Service Agreement between the Treasure Island Development Authority**
4 **and Associated Right of Way Services Inc., a California corporation to Provide**
5 **Consulting and Advisory Services in Implementing the Transition Housing Rules and**
6 **Regulations for the Treasure Island/Yerba Buena Island Development Project to , extend**
7 **the Term through December 31, 2022 and to Increase the Contract Amount to \$2,120,000**

8 **WHEREAS**, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97,
9 authorizing the Mayor’s Treasure Island Project Office to establish a nonprofit public benefit
10 corporation known as the Treasure Island Development Authority (the “Authority”) to act as a
11 single entity focused on the planning+, redevelopment, reconstruction, rehabilitation, reuse and
12 conversion of the Former Naval Station Treasure Island located on Treasure Island and Yerba
13 Buena Island (together, the "Base") for the public interest, convenience, welfare and common
14 benefit of the inhabitants of the City and County of San Francisco; and

15 **WHEREAS**, On June 7, 2011, the BOS voted 11-0 on various pieces of legislation
16 authorizing the Treasure Island/Yerba Buena Island Development Project (the “Project”),
17 including a Disposition and Development Agreement (the “DDA”); and

18 **WHEREAS**, The DDA contains a Housing Plan which, amongst other matters, granted
19 certain housing opportunities and benefits as part of the Project to residents of affordable and
20 market units on the island; and

21 **WHEREAS**, The benefits available to residents of market-rate units leased to and
22 operated by the John Stewart Company were enumerated in the Transition Housing Rules and
23 Regulations (the “THRR”) for The Villages at Treasure Island; and

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1 **WHEREAS**, The THRR grants certain housing opportunities and transition benefits as
2 part of the Project to those households who were living in The Villages at Treasure Island (“The
3 Villages”) at the time of the approval of the DDA on June 2011; and

4 **WHEREAS**, These residents are identified as Pre-Development and Disposition
5 Agreement (“Pre-DDA”) households; and

6 **WHEREAS**, The benefits available to residents of housing units leased to and operated
7 by affordable housing providers under the Treasure Island Homeless Development Initiative
8 (“TIHDI”) were enumerated in the TIHDI Transition Housing Plan; and

9 **WHEREAS**, The Authority required support to administer and implement the THRR,
10 identify and engage eligible households to explain available benefits, and to gather information
11 needed to plan for the construction of the appropriate number and size of Transition Units; and

12 **WHEREAS**, After issuing a Request for Proposal (“RFP”) TIDA-17-0, reviewing
13 proposals and conducting interviews, completing contract negotiations, and receiving approval
14 from the Civil Service Commission (PSC 480405-16/17) to enter into a Professional Service
15 Agreement for consulting and advisory services, the Authority awarded a contract (the
16 “Agreement”) to Associate Right of Way Services, Inc. (“AR/WS”) to assist to the creation of
17 relocation plans for eligible households in the implementation of the THRR; and

18 **WHEREAS**, The effective date of the Agreement was August 1, 2017 with Task Orders
19 to be authorized by Authority Staff annually or when-needed identifying specific tasks, periods
20 of performance, and approved budgets; and

21 **WHEREAS**, On December 11, 2019, the Authority Board approved a second
22 amendment to the THRR expanding certain relocation and transition options for “Post-
23 Development and Disposition Agreement (“**Post-DDA**”) residents; and
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1 **WHEREAS**, The second amendment allowed Post-DDA households residing in The
2 Villages in The Villages as of the effective date of the second amendment to:

- 3 1. Receive premarketing opportunities for market-rate housing; and
- 4 2. Receive priority in newly constructed affordable housing opportunities
5 (affordable for-rent or BMR for-sale) when income-qualified; and
6

7 **WHEREAS**, On December 11, 2019, the Authority Board also approved an amendment
8 to the AR/WS Agreement to modify the Scope of Services to implement the additional
9 responsibilities included in the second amendment to the THRR and increasing the contract
10 amount to \$1,670,000 (the “First Amendment” to the Agreement); and

11 **WHEREAS**, At the time of the First Amendment to the Agreement, the authorized
12 contract amount was understood to be insufficient to fund services through the full term of the
13 Agreement, and over the following two months staff has developed a budget consistent with the
14 expected level of services through the current term of the Agreement which would expire on
15 July 31, 2022; and

16 **WHEREAS**, On February 16, 2021, the Authority Board also approved a Second
17 Amendment to the AR/WS Agreement to increase the contract amount by \$330,000 to
18 \$2,000,000 (the “Second Amendment”); and

19 **WHEREAS**, Staff had intended to issue a Request for Proposals (“RFP”) to provide
20 services to support the implementation of the THRRs over the next several years of
21 development and to select a service provider prior to expiration of the Agreement to provide
22 for continuity of service to the residents, but have been unable to achieve that goal; and

23 **WHEREAS**, Staff has drafted a scope for the proposed RFP, is preparing to seek Civil
24 Service Commission Authorization, and believes that it should be in position to recommend
25 award of a new contract for this purpose by the end of 2022; and

1 **WHEREAS**, Implementing the THRRs requires continuous engagement with eligible
2 households to explain available benefits, process Early In-Lieu requests, assist residents in
3 navigating the process to certify eligibility for affordable housing opportunities, and gather
4 information needed to plan for the construction of the appropriate number and size of Transition
5 Units; and

6 **WHEREAS**, Should a new provider be selected, they will benefit from a period of
7 overlap with AR/WS to transfer their knowledge and experience; and

8 **WHEREAS**, Staff has drafted a Third Amendment to the Agreement to extend the
9 contract Term through December 31, 2022, and increase the contract amount by \$120,000 to
10 provide uninterrupted services through that Term to be authorized via Task Orders as needed
11 which the Authority may exercise in its sole discretion; **now, therefore be it**

12 **RESOLVED**, That the Authority Board of Directors approves the Third Amendment to
13 Professional Service Agreement with Associated Right of Way Services, Inc. and authorizes
14 the Treasure Island Director to execute and perform the Third Amendment; and be it

15 **FURTHER RESOLVED**, That the Third Amendment does not materially increase the
16 obligations or liabilities of the Authority, does not materially reduce the rights of the Authority,
17 and is necessary or advisable to complete the tasks contemplated by the Agreement; **and be**
18 **it**

19 **FURTHER RESOLVED**, That the Authority Board of Directors authorizes the Treasure
20 island Director or his designee to enter into any additions, amendments or other modifications
21 to the Agreement that the Director determines in consultation with the City Attorney are in the
22 best interests of the Authority, do not materially increase the obligations or liabilities of the
23 Authority, do not materially reduce the rights of the Authority, and are necessary or advisable
24 to complete the tasks contemplated by the Agreement, such determination to be conclusively
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1 evidenced by the execution and delivery by the Treasure Island Director or his designee of the
2 documents and any amendments thereto.

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5 **CERTIFICATE OF SECRETARY**

6 **I hereby certify that I am the duly elected Secretary of the Treasure Island**
7 **Development Authority, a California nonprofit public benefit corporation, and that the**
8 **above Resolution was duly adopted and approved by the Board of Directors of the**
9 **Authority at a properly noticed meeting on May 11, 2021.**

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11 **Mark Dunlop, TIDA Board Secretary**
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