

TREASURE ISLAND

COMMUNITY DEVELOPMENT

June 1, 2024

Treasure Island Development Authority
One Avenue of the Palms, Suite 241
Treasure Island
San Francisco, CA 94130

Re: **2023 Small Business Enterprise (SBE) Report**

In accordance with the Small Business Enterprise Procedures adopted January 8, 2014 and amended April 13, 2022, Treasure Island Community Development (TICD) is providing our annual “SBE Report” documenting TICD’s progress toward meeting the SBE Goals for the calendar year 2023 and cumulatively to-date for 2014 through December 31, 2023. We are happy to report that TICD continues to exceed the goals for SBE participation on the project.

Highlights for this year include:

- Approximately 40% of the contracted work in 2023 was covered by change orders with remaining work under existing contracts.
- The largest construction contracts/change orders executed in Stage 1 were for the Cityside Park and Waterfront Plaza. Approximately 23% of these contract amounts were awarded to SBE firms (\$3,321,373 out of \$14,472,422) with San Francisco-based SBE firms comprising 95% of the total SBE for these two projects (\$3,143,199).
- Contracts in Stage 3-5 (includes preservation of historic buildings) were awarded to SBE organizations to account for 55% of the new work (\$276,673 out of \$500,318).
- Over the life of the project, over 46% of all professional services contracts awarded by TICD have gone to SBE firms (\$60 million out of \$129 million), with over 44% of all professional service contract amounts awarded to San Francisco-based SBE firms.
- Over the life of the project, over 44% of all construction contracts awarded by TICD have gone to SBE firms (\$185 million out of \$419 million), with over 35% of all construction contract amounts awarded to San Francisco-based SBE firms.
- Approximately 84% of the total SBE participation across professional service and construction contracts has been San Francisco-based SBEs.
- TICD has surpassed \$244 million in contract value awarded to SBE firms over the life of the project.

Outreach Activities:

TICD continues to work closely with One Treasure Island and its member organizations to promote opportunities for One Treasure Island residents and businesses to participate in construction. TICD and One Treasure Island meet frequently to coordinate our efforts.

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On a regular basis, One Treasure Island and TICD check in on the progress toward meeting the One Treasure Island employment goals, to make sure that the project is on track. TICD keeps One Treasure Island informed about prospective construction contracting opportunities so that training programs can be targeted toward participating in upcoming scopes of work. One Treasure Island is invited to every pre-bid meeting, where they present about their program and provide information to prospective contractors on their training and placement services.

A. Professional Services Contracts

Achieved SBE Measurement / SBE Progress on SBE Goals

The summary totals for cumulative to-date and 2023 calendar year's overall contract values, amount awarded to SBEs, and amount awarded to San Francisco SBEs, along with the percentage against total covered contract values are listed in the table below.

	CY 2023	Cumulative
Total Covered Contracts Value	\$2,959,900	\$129,385,278
Amount Awarded to SF SBEs	\$559,773	\$57,261,672
Amount Awarded to all SBEs	\$646,410	\$59,938,003
Achieved SBE Percentage	21.8%	46.3%
Professional Services SBE Goal	38%	38%

Professionals Services work in 2023 was limited compared to previous years as the focus was on completing construction on Stage 1 SIP and YBI parks. The majority of the work underway is proceeding under contracts that were executed prior to 2023. The total dollar value of Covered Professional Services Contracts awarded in 2023 was \$2,959,900, of which a total of \$646,410 was awarded to SBE consultants, accounting for almost 22% of the total.

Of the new contracts executed (change-orders excluded) for professional services contracts, approximately 25% of the contracts were awarded to SBE firms, which were primarily based in San Francisco.

Cumulatively to-date, \$59,938,003 in contract value has been awarded to SBEs, representing 46.3% of the \$129,385,278 million total Covered Professional Services contract value awarded to date, which exceeds the overall project SBE Participation Goal of 38% for this project. Approximately 96% of SBE contract amounts for professional services have gone to San Francisco SBEs (45% of total professional service contracts).

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The most significant Professional Services scopes that were contracted in 2023 to SBE firms were related to Stage 1 park design, and planning and design work for existing buildings to be retained (including Administration Building, Chapel, and Quarters 10).

B. Construction Contracts

Achieved SBE Measurement / SBE Progress on SBE Goals

The summary totals for cumulative to-date and 2023 calendar year's overall contract values, amount awarded to SBEs, and amount awarded to San Francisco SBEs, along with the percentage against total covered contract values are listed in the table below.

	CY 2023	Cumulative
Total Covered Contracts Value	\$17,513,415	\$419,389,711
Amount Awarded to SF SBEs	\$3,859,139	\$147,949,539
Amount Awarded to all SBEs	\$4,270,375	\$184,888,556
Achieved SBE Percentage	24.4%	44.1%
Construction SBE Goal	41.0%	41.0%

2023 was a year of transition as the Yerba Buena Island and Treasure Island street improvements reached substantial completion with Ownership transferred to the City. The construction work in 2023 was dominated by Stage 1 parks projects, including Cityside Park and Waterfront Plaza.

While our overall SBE participation remains above the targeted 41% goal, for contracts signed in 2023, the rate was below the target at 24.4%. This is primarily because the two largest contracts for parks work captured 23% SBE participation combined. SBE outreach was conducted for the new parks work with the assistance of TIDA, with Cityside Park bid out twice to capture additional participation, but the work for these projects is highly specialized, and there were not enough qualified bidders to hit the target goal.

TICD and our contractors have been successful in maximizing participation by San Francisco based SBEs, with over 80% of the value of SBE contracts going to San Francisco-based firms (over 35% of total construction contracts).

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C. Summary of 2023 Good Faith Efforts

New Construction Work Covered Contracts

TICD signed two new construction contracts in 2023 for the following scopes of work:

1. Waterfront Plaza (RFP Solicitation)
2. Cityside Park (RFP Solicitation)

As part of the outreach efforts related to the solicitation process, the RFPs were advertised via the following mechanisms:

- TIDA Website
- SF Office of Contract Administration website
- SF Office of Contract Monitoring Division's list of certified SBEs – sorted by trade
- TIDA List of Interested Contractors
- One Treasure Island Member Organizations
- Small Business Exchange
- San Francisco Examiner

Pre-bid meetings were held for each of the RFP scopes of work. The pre-bid meetings included a discussion of the SBE Policies for the project and contractors were encouraged to take steps to meet or exceed the project goals. One Treasure Island and TIDA Staff are also invited to participate in the meetings to explain their programs and how contractor can participate.

D. PROJECTED 2024 ACTIVITIES

Construction Work:

Construction of parks and open space areas will continue on Treasure Island in Stage 1 with some bid opportunities expected, and Stage 2 street improvement plans are expected to progress. An RFP is expected to be issued for the Chapel building renovation project.

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The following scopes of construction work may proceed to bid for construction in 2024:

- Cultural Park
- Beach Park
- Chapel Building
- Treasure Island Stage 2 Street Improvements
- Building Abatement and Demolitions as needed

Professional Services:

We do not expect to generate significant bidding opportunities for Professional Services in 2024. The Stage 1 parks work and some early work for Stage 2 comprises most of the Professional Services work for 2023, and contracts are largely in place. However, the ongoing infrastructure work will likely allow for additional bid opportunities, and we will continue to look for opportunities to increase participation as new scopes are identified. TICD continues to encourage our consultants to form joint ventures or associations with SBE firms to further increase SBE involvement in the project. The most significant upcoming Professional Services scope will be preparation of the next Major Phase application, although timing of this work is still being determined.