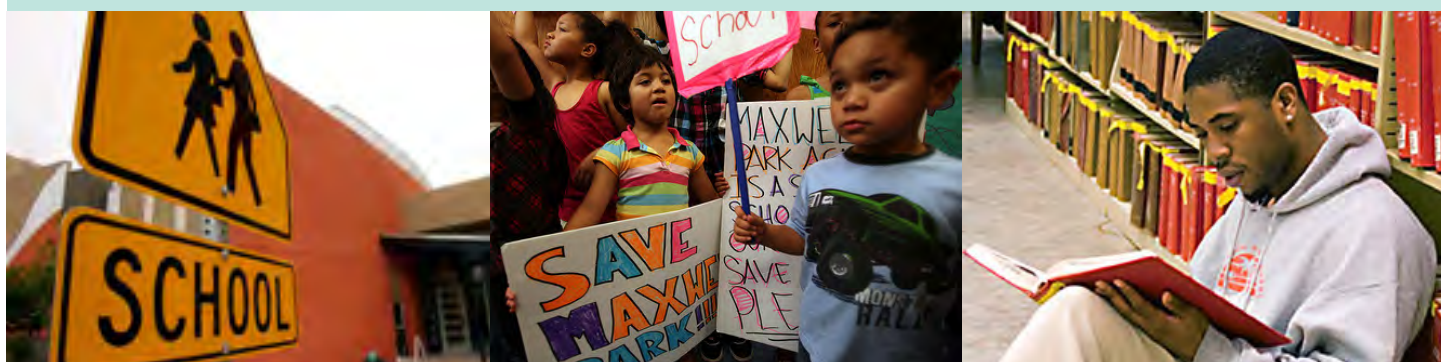


# Aligning and Leveraging Community Development Funding to Maximize Educational Outcomes in Bayview Hunters Point 2.0

Darren Gapultos

*Schools are at the Heart of Health in our Communities*  
PLUS Leadership Regional Learning Initiative  
Fellows Report 2012-2013





# EXECUTIVE SUMMARY



## Background

In 2010, the San Francisco Board of Supervisors approved a project to transform the abandoned Hunters Point Naval Shipyard into a new water front community of homes, parks, businesses, and a research and development hub for green technology. The shipyard, which was closed in 1974, is part of Bayview-Hunters Point where poverty and unemployment rates are high and educational attainment is low compared to other neighborhoods across San Francisco. This redevelopment project will be the largest in the city's history and aims to provide jobs, housing, and hope to a community that has long been neglected.

In addition to the physical changes this revitalization effort will bring to Bayview-Hunters Point, the developer, Lennar Urban, is obligated to implement a Community Benefits Plan with the aim of alleviating poverty, increasing economic opportunity, and improving the overall health and quality of life of the current residents. Amongst the benefits are funds earmarked for health/wellness, workforce development, debt reduction and education that will be dispersed over the next twenty years. For implementation of these monetary resources, each fund has a decision-making committee of various stakeholders.

In preparation to form the decision-making committee of the Education Improvement Fund, members of the San Francisco Mayor's Office of Economic and Workforce Development (OEWD) and the San Francisco Redevelopment Agency (the former Agency)\* sought the support of UC Berkeley's Center for Cities and Schools (CC&S) and its Planning and Learning United for Systems-Change (PLUS) Initiative in the fall of 2011. The aim was to utilize a PLUS Fellow from CC&S for the 2011-2012 academic year in conducting a landscape analysis of funds within the Community Benefits Plan that had the potential of impacting the educational attainment of Bayview-Hunters Point youth.

After months of research and interviews with various stakeholders, the PLUS Fellow created two informative tools to guide next steps for collaboration between OEWD, the former Agency, and SFUSD:

- A timeline identifying when education-related funds within the Community Benefits Plan will be dispersed and in what amount.
- A concept map of members within the decision-making committees of the education-related funds.

During the research process, the PLUS Fellow observed that there were other community development initiatives within Bayview-Hunters Point that also had education-related funding. While the created tools identified above gave way to a better understanding of the Community Benefits Plan, the PLUS Fellow concluded in his research that in order to maximize the impact of the education-related funding within the



Community Benefits Plan, an expanded analysis of all community development initiatives within Bayview-Hunters Point is needed.

In partnership with SFUSD, this report is the "2.0" version of the prior research by expanding it and attempting to address the following questions:

- What community development initiatives will support and improve the educational attainment of pre-k to 12th grade youth attending SFUSD schools located in the Bayview neighborhood?
- What connections between these initiatives can SFUSD leverage so that resources support district policies?

## Findings

- Including the Lennar Urban Community Benefits Plan, there is a total of four initiatives bringing in an estimated \$45 million that can support the educational attainment of youth attending SFUSD schools in the Bayview Hunters Point Neighborhood over the next 30 years.
- Within the four initiatives, there are six separate entities that will be deciding how these funds will be dispersed. While these entities have the same general goal of supporting education, there is little connection between them. This can lead to inefficiently dispersing financial resources to milestones SFUSD deems important for its students and families

## Suggested Next Steps

- SFUSD to collaborate in a deeper manner between the various implementation committees and funding entities to improve knowledge sharing and re-prioritization over time.
- SFUSD to ensure alignment between the various implementation committees by sharing the identified benchmarks of its strategic plan.
- SFUSD to align its own financial resources in the coming years with the potential funds dispersing from the community development initiatives.







CONTEXT

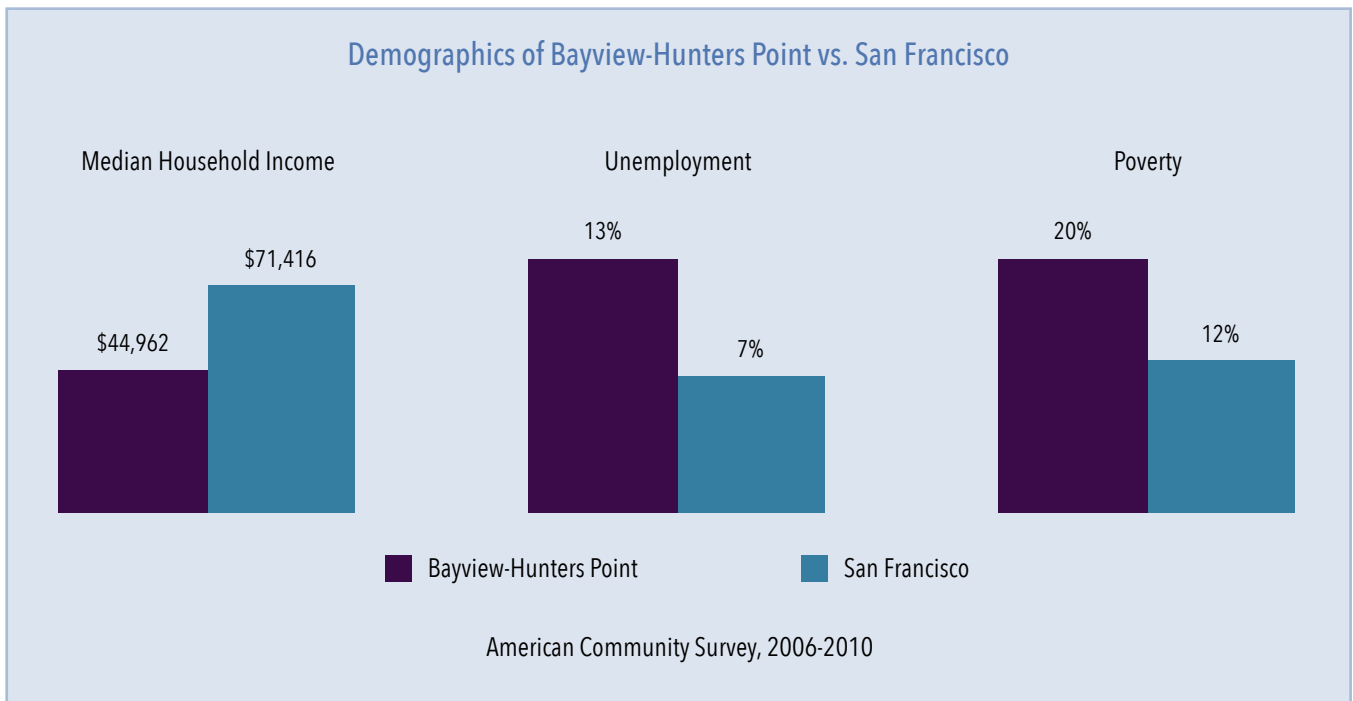


## History of Bayview-Hunters Point

Bayview-Hunters Point is located in the southeast sector of San Francisco and its boundaries are Cesar Chavez Boulevard to the north, US Highway 101 to the west, Bayview Hill to the south, and the San Francisco Bay to the east. The area has a rich history as one of the major shipbuilding hubs on the west coast during World War II. During this time, the Navy was not only Bayview-Hunters Point's major source of employment, but was also the city's largest industrial employer as well.

Many of the blue collar residents who were attracted to Bayview-Hunters Point were mostly African Americans evicted from the redevelopment efforts of the nearby Fillmore neighborhood or the migration from the Jim Crow South. After the 1970s, the Navy began to cease its operations. This led to increases in unemployment and poverty in Bayview-Hunters Point as there were few jobs left for the families that moved there.

Despite its historical importance, this community continues to struggle today as it has one of the city's lowest rates for median household income and highest percentage of individuals who are unemployed and in poverty.





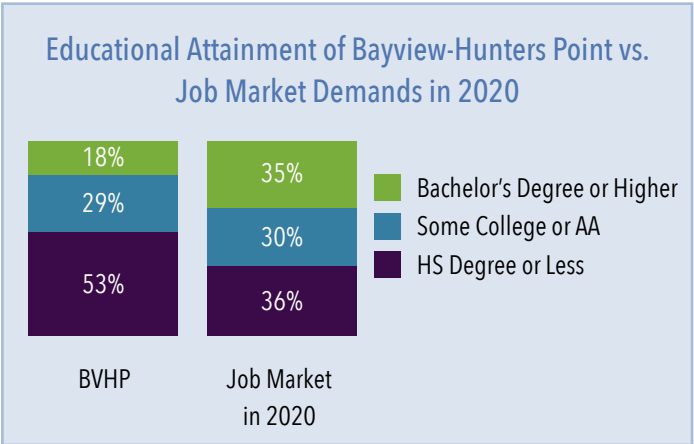
# How Poverty Impacts Educational Attainment in Bayview-Hunters Point

Poverty can lead to factors that weaken effective conditions for children to learn in the classroom. According to research, these factors adversely affect a child's academic success and can include a lack of school readiness for children entering kindergarten (Currie, 2008), little to no access to health care (Basch, 2011), higher rates of family mobility (Raudenbush et al, 2011), and lack of enrichment activities at home and during out of school time (Ladd, 2011). The above are some of the effects of limited resources due to poverty, but taken together, they interfere with cognitive development in childhood, reduce educational attainment, and lead to worse outcomes in adult life (Johnson, 2007).

Up to 91% of students enrolled in Bayview-Hunters Point schools are eligible for free or reduced lunch, a proxy researchers use to measure poverty at the school level. Historically, schools in Bayview-Hunters Point have one of the lowest test scores when compared to schools in other communities throughout the city. Less than one-third of the neighborhood's third grade students are proficient or above in English Language Arts, an early indicator of the likelihood that a child will graduate from high school (California Department of Education, 2011).

Today, more than half (53%) of the Bayview-Hunters Point population who are over the age of 25 have a high school diploma or less, over a quarter (29%) have some college experience or an associate's degree, and only 18% have a bachelor's degree or higher. This is troubling as not only are the median earnings of workers with bachelor's degrees 65% higher than those with just a high school diploma (\$55,700 vs. \$33,800), but the demand for workers with just a high school diploma has shrunk dramatically from the 1970s.

According to the Center of Education and the Workforce at Georgetown University, nearly two-thirds of job openings will require that workers have at least some post-secondary education in 2020. There will still be job openings for people with just a high school degree, but only 36% of those with just a high school degree will be able to fill those jobs. The lack of post-secondary success to access jobs of higher income as well as the shrinking labor demand for high school graduates continues the cycle of poverty in Bayview/Hunters Point.



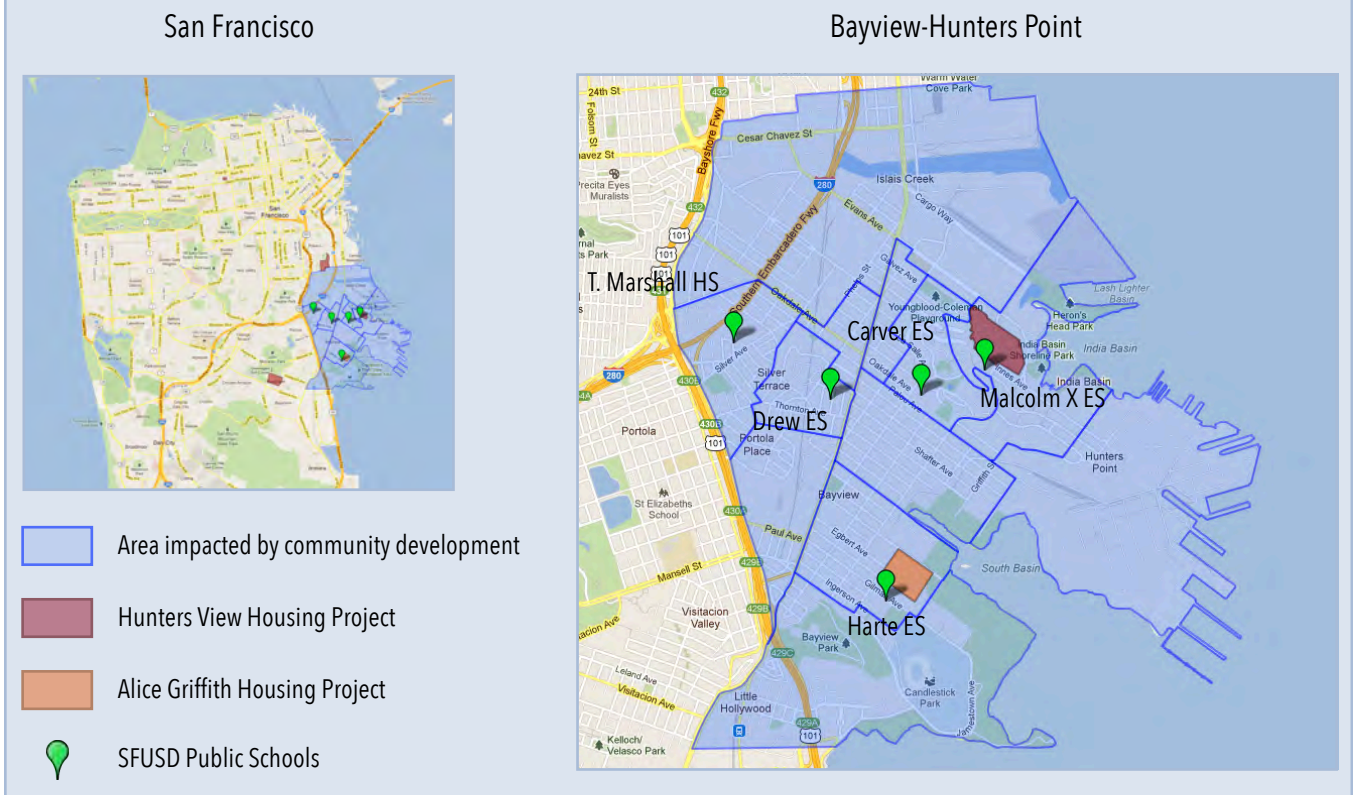


# Revitalization of Bayview-Hunters Point

Over the next twenty years, the Bayview-Hunters Point community will undergo a massive redevelopment with the aim of alleviating the physical and economic blighting conditions of the community. During this revitalization, numerous initiatives are bringing additional financial resources to positively impact current citizens of the community. Some of these resources have the aim of supporting the educational attainment of youth attending SFUSD schools in the Bayview-Hunters Point community. A map of the Bayview-Hunters Point schools is shown in Figure 1 and include Bret Harte Elementary, Dr. Charles Drew Elementary, George Washington Carver Elementary, Malcolm X Academy (elementary), and Thurgood Marshall High School.

The following section identifies four community development initiatives within the Bayview-Hunters Point community that have education-related funding, how the monetary resources is dispersed, the members and current status of the decision-making committees, and the relationship between the decision-making committees and SFUSD.

Figure 1: Map of Bayview-Hunters Point





# LANDSCAPE ANALYSIS OF COMMUNITY DEVELOPMENT INITIATIVES



# LENNAR

## Lennar Urban Community Benefits

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### Background

In 2010, the San Francisco Board of Supervisors approved a redevelopment project in Bayview/Hunters Point to alleviate the physical and economic blighting conditions of the community. The project was proposed by the former Agency after over a decade of planning in conjunction with community residents as well as representatives from property owners, businesses and community organizations. The project aims to revitalize certain areas in the community, improve public facilities and utilities, create affordable housing, create a pedestrian and transit-oriented mixed use neighborhood, and produce more employment opportunities for its residents.

During redevelopment, over 30,000 opportunities for construction jobs will be created for demolition and abatement as well as vertical construction of new buildings and parks. There will be an estimated 10,000 opportunities for permanent jobs. These permanent jobs include employment within retail, landscaping and maintenance of parks, management of new properties, and research and development within green technology.

The project also requires the former Agency and Lennar Urban, the developer, to provide additional community benefits to existing residents of Bayview-Hunters Point. The benefits, called the Community Benefits Plan, include \$120 million for affordable housing, \$10 million for educational improvement, \$3.5 million towards an educational scholarship fund, \$2 million for community health and wellness, and a range of additional community facilities to be implemented in increments over the next 20 years.

Of the various funds within the Community Benefits Plan, four can impact the educational attainment of youth attending public schools in Bayview-Hunters Point. These funds are the Education Improvement Fund, Education Scholarship Fund, Community Benefits Fund, and Workforce Development Fund. Each fund will be discussed in the following pages.

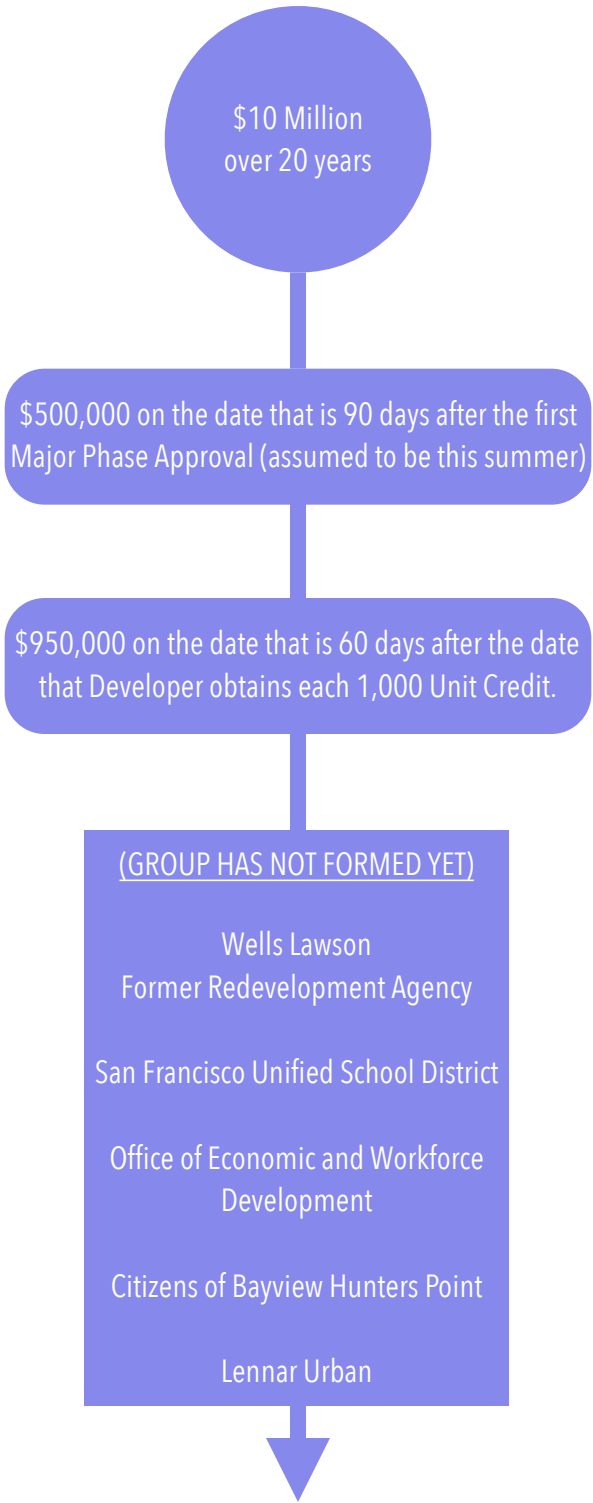






# Concept Map of Dispersing and Implementing the Education Improvement Fund

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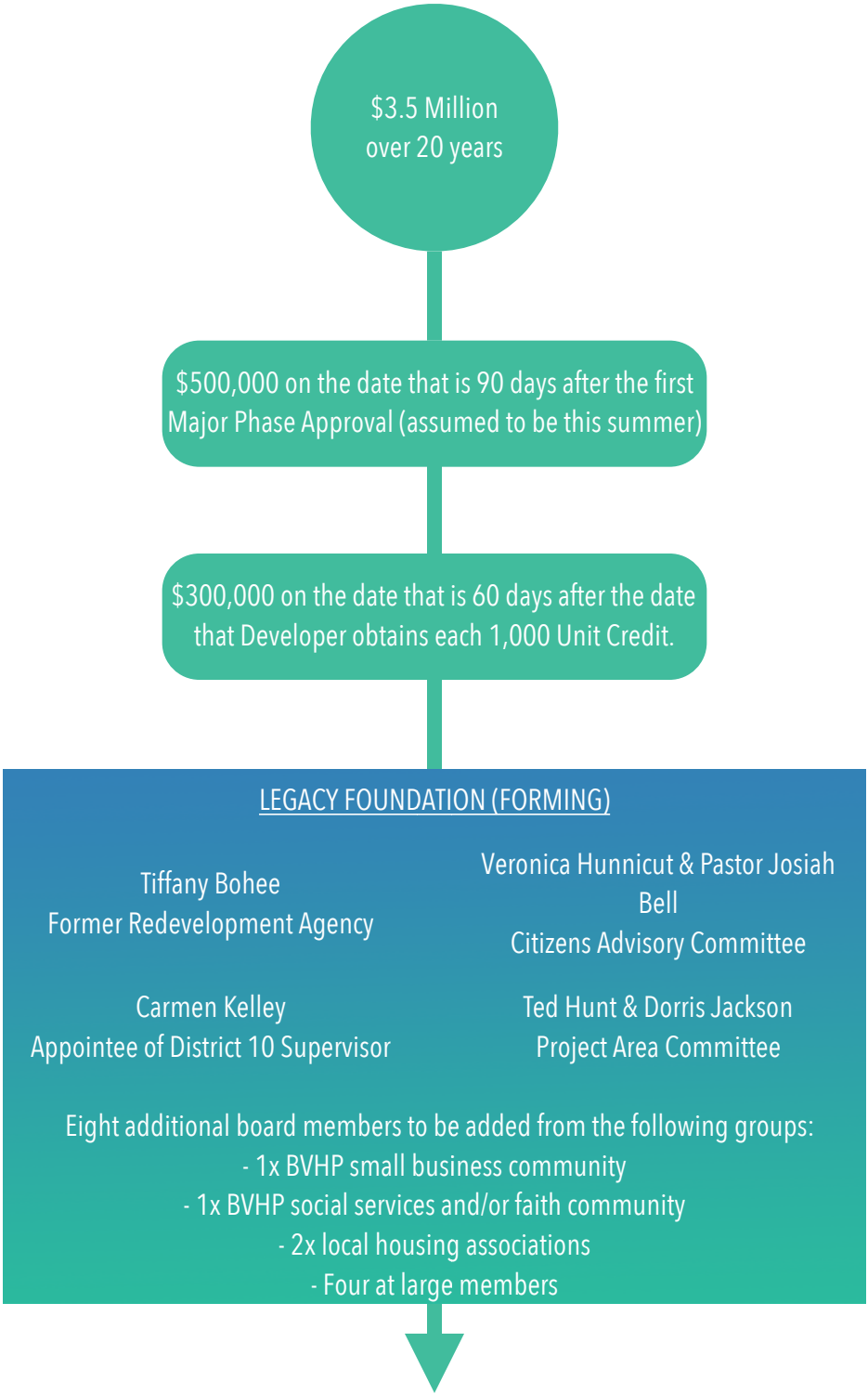






# Concept Map of Dispersing and Implementing the Education Scholarship Fund

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# Community Benefits Fund

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## **Background**

The Community Benefits Fund shall be established and maintained as a separate account under the Former Redevelopment Agency. 100% of the Community Benefits Fund shall be reinvested by the Former Redevelopment Agency in the Project Site and Bayview-Hunters Point to (a) benefit low- and moderate-income families; (b) eliminate blight; and/or (c) meet other community development needs as determined by the Bayview-Hunters Point Representative Entity, including those related to social services, affordable housing, education, the arts, public safety, assistance for senior citizens and other community services. Such reinvestment shall be made by the Agency following consultation as applicable with the Citizens Advisory Committee (CAC) and the Project Area Committee (PAC) and shall be subject to approval by the Agency Commission as a part of each of its community benefits budgets.

## **How Monetary Resources will be Dispersed**

Each vertical developer shall contribute to the Community Benefits Fund 0.5% of the initial sale of each Market Rate Unit. The Former Redevelopment Agency estimates that each Market Rate Unit will be sold at \$700,000.

## **Decision-making Committee and or Individuals**

At this point, The Legacy Foundation is forming to serve as the entity in implementing the Community Benefits Fund as monetary resources will be dispersed. The following members of the Legacy Foundation include: the Director of the Former Redevelopment Agency or his/her designated senior staff person (currently Tiffany Bohee), a person appointed by the Mayor's Office (currently unfilled), a person appointed by the District 10 Supervisor (currently Carmen Kelley - CAC member), two Shipyard CAC members (Dr. Veronica Hunnicutt and Pastor Josiah Bell), two Bayview PAC members (Tedd Hunt and Dorris Vincent).

Eight additional board members from the following priority groups will round out the entity: a representative from the BVHP small business community, a person representing the BVHP social services and/or faith community, two representatives from local housing associations, and four at large members.

Communication between Legacy Foundation and SFUSD has been non-existent.



# Concept Map of Dispersing and Implementing the Community Benefits Fund

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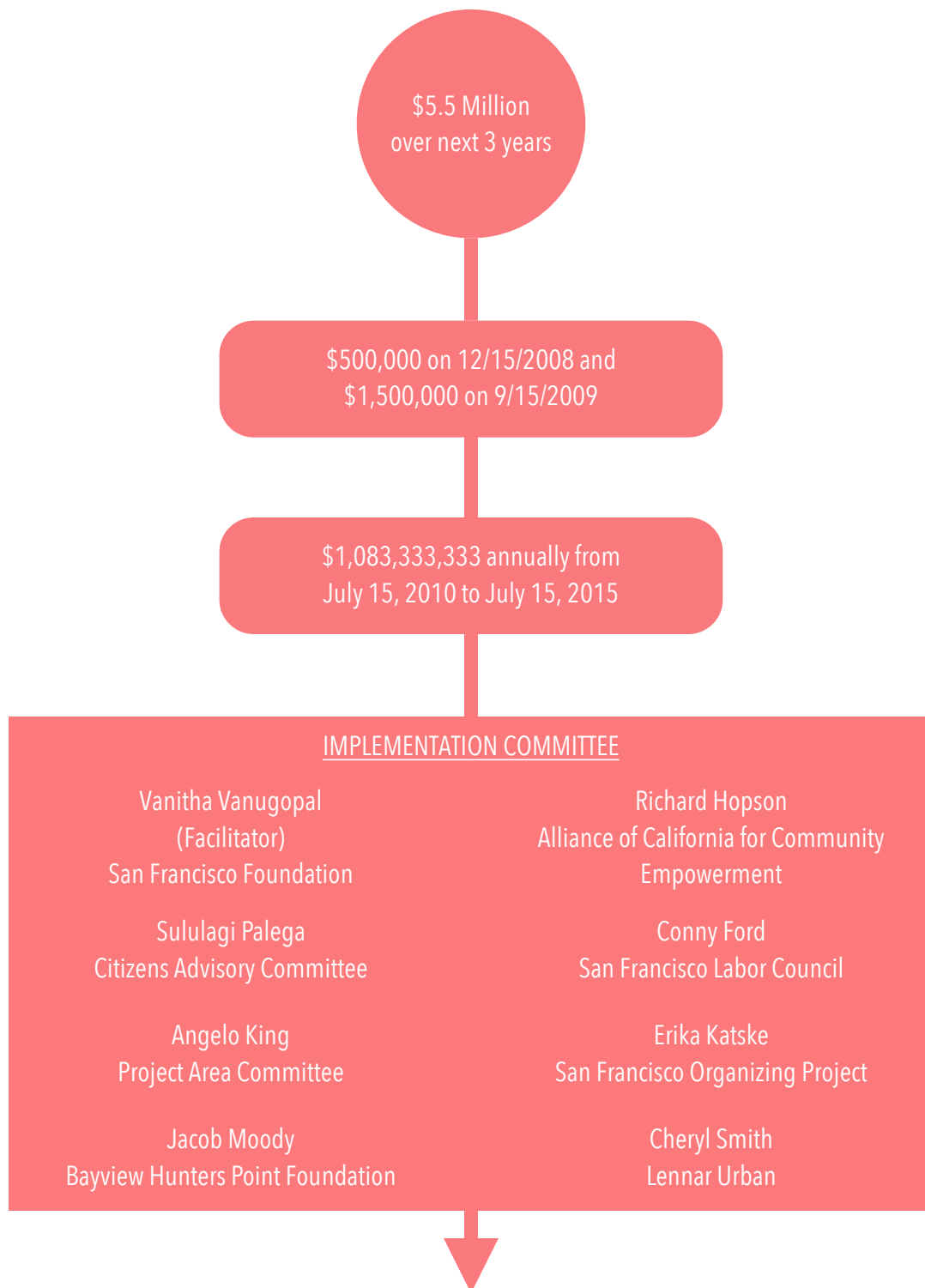






# Concept Map of Dispersing and Implementing the Workforce Development Fund

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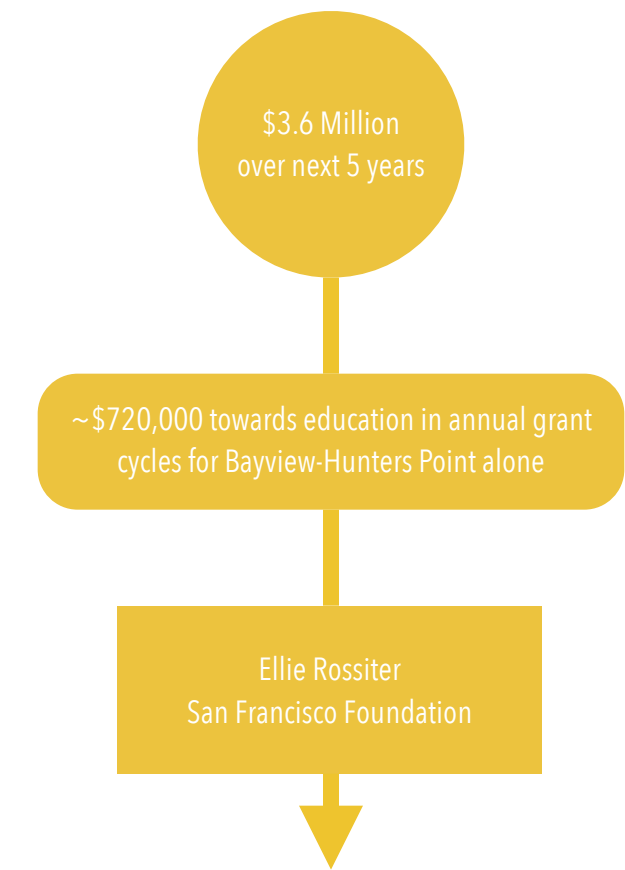






# Concept Map of Dispersing and Implementing the Education Component of The Campaign for HOPE SF in BVHP

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# Choice Neighborhoods Initiative

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## Background

The Choice Neighborhoods Initiative (CNI) is a US Department of Housing and Urban Development (HUD) program that focuses on the public and private sectors working together to revitalize severely distressed public housing and generate investments in well-functioning services, effective schools, public assets, public transportation, and improved access to jobs.

In August 2011, HUD awarded a \$30.5 CNI grant to McCormack Baron Salazar, Inc. (MBS) as the lead applicant, and the Housing Authority of the City and County of San Francisco (SFHA) as the co-applicant, to comprehensively revitalize the Alice Griffith public housing development and its surrounding community in the Eastern Bayview neighborhood. The original grant period is five years starting in August 2011.

The overall vision for revitalization has three essential aspects – (1) Housing, (2) Neighborhood, and (3) People. MBS partnered with Urban Strategies, Inc. (US), a non-profit corporation specializing in citizen-directed planning and community-based economic vitality, to guide the people aspects of the revitalization of the Alice Griffith public housing development. The people aspects of the revitalization are organized into five components, and US leads the coordination and management of all five components: employment, education, health, economic mobility, and safety.

## How Monetary Resources will be Dispersed

Of the \$30.5 million awarded to Alice Griffith and the surrounding community, over \$1.5 million is slated for education. Originally, US was to sub-award SFUSD and other organizations over the period of the grant in annual installments. At this point, no funds have been dispersed and it is assumed that the total amount will be installed evenly in for the next three years.

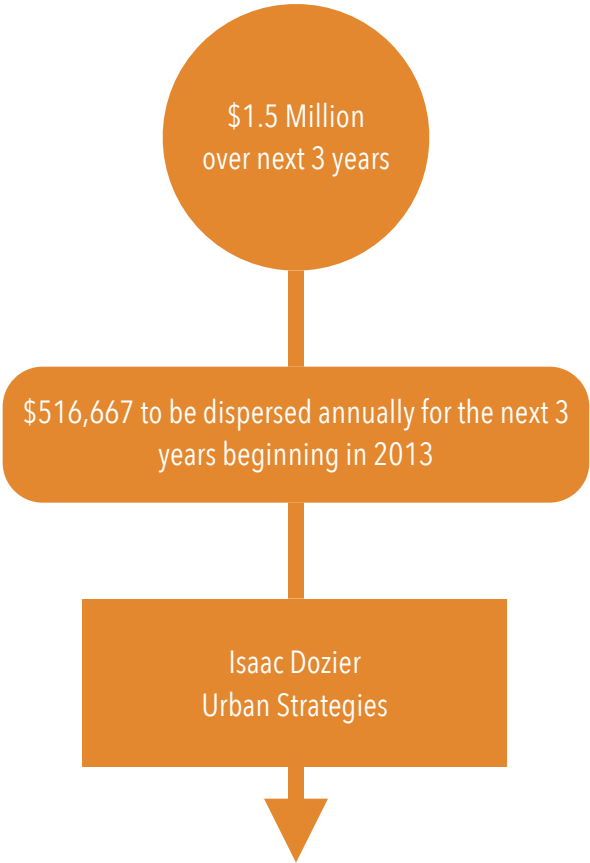
## Decision-making Committee and or Individuals

Isaac Dozier, the Senior Project Manager of US, has served as the main point person for SFUSD to collaborate in the design and implementation of the education component. Education strategies and activities have been outlined for the education funds of the CNI grant to support. Of the \$1.5 million slated for education during the period of the grant, SFUSD will be awarded \$961,800.



# Concept Map of Dispersing and Implementing the Education Component of Choice Neighborhoods Initiative Grant

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# Concept Map of Dispersing and Implementing the Education Component of SFPUC’s Community Benefits Policy

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Further relationship-building needed between SFUSD and SFPUC to understand implementation of SFPUC’s Community Benefits Policy



# Putting it all Together: Tools to Understand Landscape



## Timeline of Funds Dispersal

To have a better and long-range understanding of when the education-related funds of the various community development initiatives will be dispersed, a timeline of funds dispersal was created. This tool spans over twenty years and utilizes official documents from the Former Agency as well as interviews with key stakeholders to estimate when funds will be triggered. Also included in the timeline are estimated numbers of housing units that will be completed each year as some of the funding from the Lennar Community Benefits occur when one thousand units are completed. Estimated sales of market rate unit sales are included as well to calculate the dollar amount being contributed to the Community Benefits Fund.

The following page is the Timeline of Various Funds Dispersal. This timeline can inform SFUSD as well as community stakeholders of when the monetary resources will be available to support youth with their educational attainment in Bayview-Hunters Point. It can also inform SFUSD where to prioritize their relationship-building as some funds have significantly more financial contributions than others.

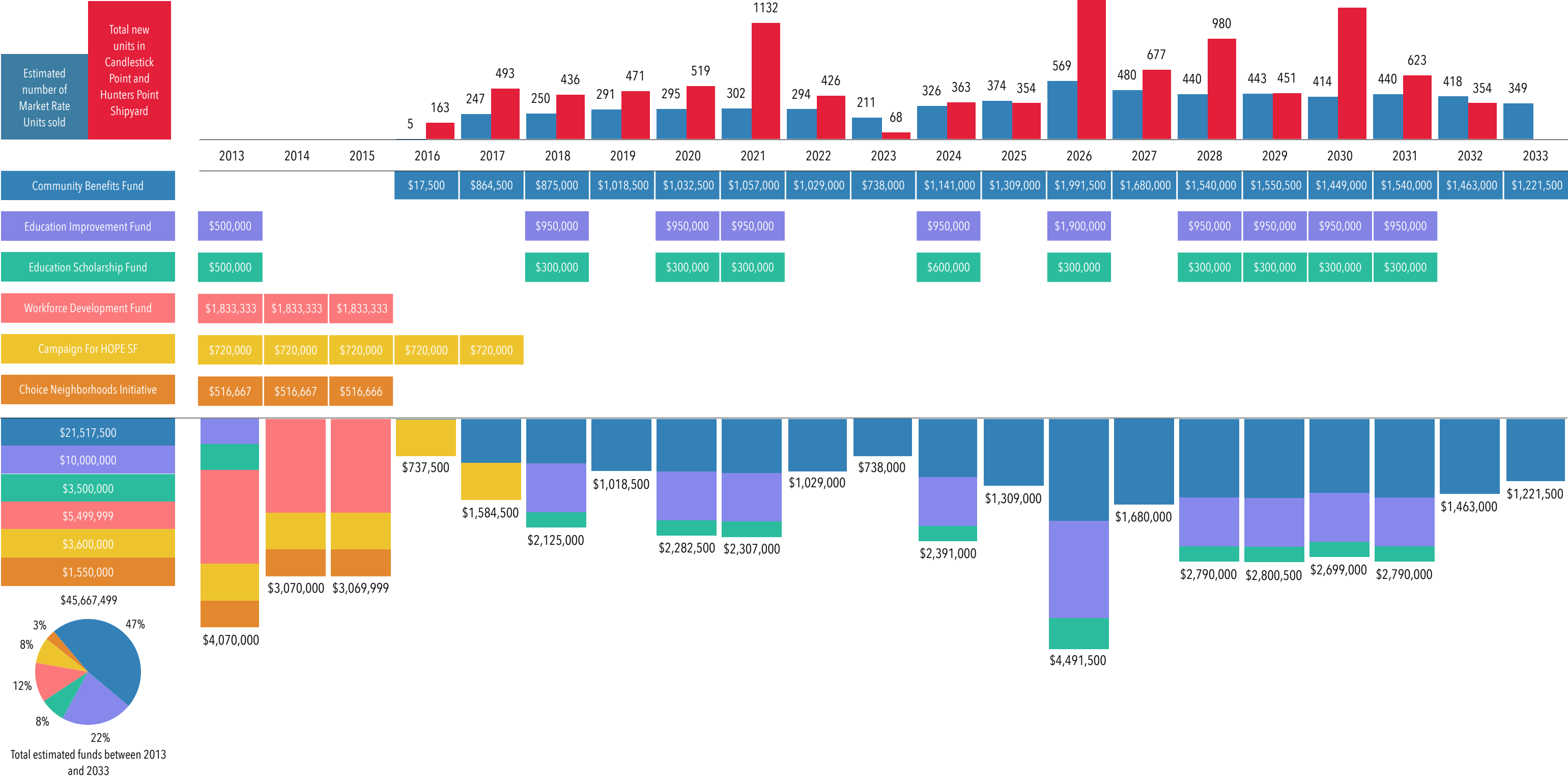
## Map of Decision-Making Committees

The second tool created was to answer the question of who the decision-makers are in terms of implementing the education-related funds of the various community development initiatives. The concept map visually documents these decision-making committees and the members residing in each group. The map also displays possible linkages between the different groups. For example, the Agency, Hunter's Point Project Area Committee, Mayor's Office Hunters Point Advisory Committee, and Lennar Urban have representatives on two of the implementation groups. While there are linkages, interviews with key stakeholders in each of these decision-making committees reveal that these groups often act in isolation of one another.

It is imperative that SFUSD strengthens these linkages and create communication with one another as inefficiency of funding for certain programs and milestones can happen if there is no sharing of information. If there is no unified vision of and infrastructure towards what a successful student is in Bayview-Hunters Point, the impact of these funds can be minimal.



Year by Year Estimated Number of Units to be Completed



Year by Year Estimates of Education-Related Funds from Community Development Initiatives in the Bayview Hunters Point Community

\* Dispersement of Funds:

- Community Benefits Fund: Developer shall pay to the Community Benefits Fund upon the close of escrow of the initial sale to an Owner/Occupant of each Market Rate Unit an amount equal to 0.5% of the sale price of such Market Rate Unit. Sale price estimated at \$700,000.
- Education Improvement Fund: Developer shall pay \$500,000 on the date that is 90 days after the first Major Phase Approval and \$950,000 on the date that is 60 days after the date that Developer obtains each 1,000 Unit Credit.
- Education Scholarship Fund: Developer shall pay \$500,000 on the date that is 90 days after the first Major Phase Approval and \$300,000 on the date that is 60 days after the date that Developer obtains each 1,000 Unit Credit.
- Workforce Development Fund: Developer shall pay \$500,000 on 12/15/2008, \$1,500,000 on 9/15/2009, and \$1,083,333,333 annually from 7/15/10 - 7/15/15.
- Choice Neighborhoods Initiative: Funds were set to disperse over a period of five years beginning in 2011, but the \$1,550,000 will be dispersed beginning in 2013 over a period of three years due to delays.



# Map of Decision-Making Committees of Educated-related Funds in Bayview-Hunters Point





ALIGNING AND LEVERAGING COMMUNITY DEVELOPMENT FUNDING TO MAXIMIZE EDUCATIONAL OUTCOMES IN BAYVIEW HUNTERS POINT 2.0

RESEARCHED AND DESIGNED BY DARREN GAPULTOS FOR THE SAN FRANCISCO UNIFIED SCHOOL DISTRICT

Over the next twenty years, the Bayview Hunters Point community will undergo a massive redevelopment with the aim of alleviating the physical and economic blighting conditions of the community. During this revitalization, numerous initiatives are bringing additional financial resources to positively impact current citizens of the community. Some of these resources have the aim of supporting the educational attainment of youth attending SFUSD schools in the Bayview Hunters Point community.

In partnership with SFUSD, this research project utilizes official documents and key stakeholder interviews to create a landscape analysis that attempts to address the following questions:

What community development initiatives will support and improve the educational attainment of pre-k to 12th grade youth attending SFUSD schools located in the Bayview neighborhood and what connections between these initiatives can SFUSD leverage so that resources support district policies?

Overview

**LENNAR COMMUNITY BENEFITS**

Community Benefits Fund: Developer shall pay to the Community Benefits Fund 0.5% of each Market Rate Unit sold. Sale price estimated at \$700,000.

Education Improvement Fund: Developer shall pay \$500,000 after the first Major Phase Approval and \$950,000 for every 1,000 Unit Credit.

Education Scholarship Fund: Developer shall pay \$500,000 after the first Major Phase Approval and \$300,000 for 1,000 Unit Credit.

Workforce Development Fund: Developer shall pay \$500,000 on 12/15/2008, \$1,500,000 on 9/15/2009, and \$1,083,333,333 annually from 7/15/10 - 7/15/15.

**CAMPAIGN FOR HOPE SF**

A unique public-private partnership with an ambitious capital-raising goal of \$25 million by 2016. The Campaign for HOPE SF will leverage support and invest dollars in a range of areas to ensure the best outcomes for HOPE SF residents and neighborhoods.

Education-related funding in Bayview Hunters Point is estimated to be \$720,000 for each of the next five years.

**CHOICE NEIGHBORHOOD INITIATIVES**

HUD's Choice Neighborhoods Initiative focuses on the public and private sectors working together to revitalize severely distressed public housing and generate investments in well-functioning services, effective schools, public assets, public transportation, and improved access to jobs.

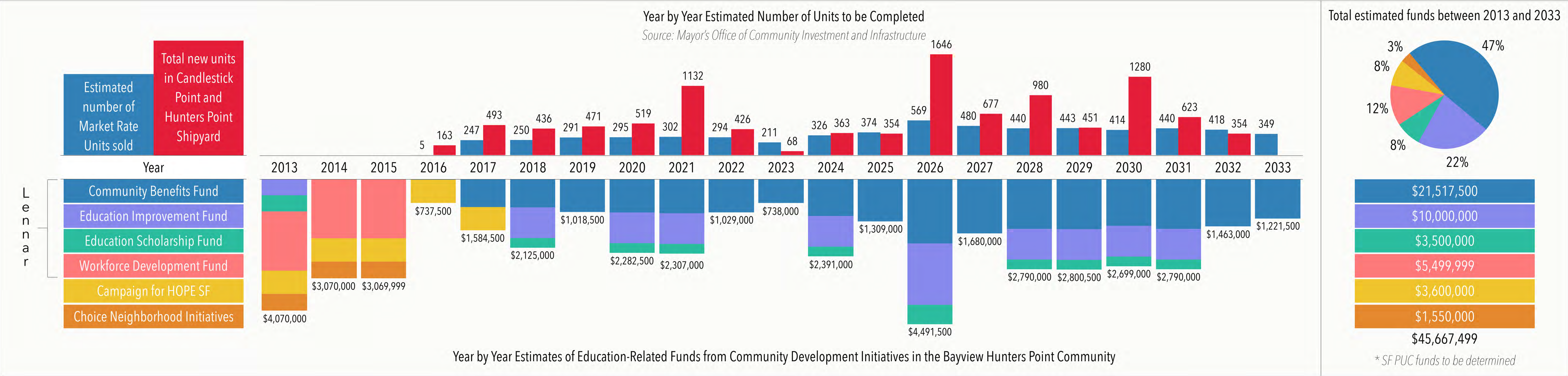
Of the \$30.5 million awarded to Alice Griffith and the surrounding community, ~\$1.5 million is slated for education. Funds have yet to disperse.

**SF PUBLIC UTILITIES COMMISSION**

The Community Benefits policy of the San Francisco Public Utilities Commission supports many initiatives that impact Bayview Hunters Point, including educational initiatives in its local schools. The SFPUC also invites its professional services contractors to make voluntary commitments in support of education, via financial contributions, volunteer hours, and in-kind donations.

Amount of education-related funds to be determined.

When and how much education-related funding will come to Bayview Hunters Point



Who is deciding how to disperse the various education-related funds, what are possible connections for alignment, and where is SFUSD engaged?

