

HUNTERS POINT SHIPYARD

THE RENAISSANCE OF HUNTERS POINT SHIPYARD

A COMMUNITY UPDATE FROM LENNAR/BVHP, LLC • SPRING 2006

LENNAR/BVHP SELECTS FOUR JOINT VENTURE COMMUNITY BUILDERS



Tabernacle Affiliated Developers, joint venture developers with Lennar. (L to R) - Herman Blackmon, Dr. Aurelious Walker, Rev. J. Edgar Boyd, Bishop Donald E. Green, Rev. Calvin Jones and Dr. James McCray

Lennar/BVHP is partnering with Bayview-Hunters Point developers to build homes on the Hilltop portion of Parcel A as part of the Community Builders Program.

The companies chosen to date as joint venture community builders are:

- Tabernacle Affiliated Developers
- Dr. George Davis and Baines & Robertson, Inc.
- Bethel A.M.E. Church (BAMEC)
- Dr. Caesar Churchwell and McCoy Developments & Associates

Additional joint venture community builders are expected to be chosen in the near future.

As part of their individual joint venture partnerships with Lennar, these community developers will be responsible for constructing a portion of the homes in the Parcel A development.

Lennar Division President Kofi Bonner is excited about this new building endeavor with the Bayview-Hunters Point community.

“This partnership will provide experience for local developers that may not have worked on previous projects of such large scale. Lennar welcomes the addition of these developers to our team.”

The Community Builder program is part of the Community Benefits Agreement (“CBA”) that Lennar entered into with the San Francisco

Redevelopment Agency in the Phase I redevelopment of the Hunters Point Shipyard. The Community Builders program ensures that thirty percent (30%) of the lots in Parcel A are designated for private housing development by BVHP Area Builders.

The local companies were selected after participating in a lengthy and extensive community outreach process. All applicants were evaluated based on criteria directly from the Community Benefits Agreement.

“We are excited about the opportunity to negotiate a Joint Venture Agreement to develop housing on the Shipyard with Lennar/BVHP. The Tabernacle Affiliated Developers’ primary objective is to develop and preserve housing opportunities in San Francisco for African American and related communities. This opportunity with Lennar allows us to partner with a great homebuilder and community stakeholder to meet our objective,” says Bishop Donald E. Green, President of the Tabernacle Affiliated Developers.

For more information on construction and the community benefits programs, visit the Hunters Point Shipyard website, www.hunterspointshipyard.com. For more information about construction, homes and other questions, please contact the Lennar toll-free hotline at (866) 5-LENNAR.

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Tabernacle Affiliated Developers, LLC: This firm is a partnership between the Tabernacle Group and the Amanco Development Associates. For years, the Tabernacle Group, consisting of members Rev. J. Edgar Boyd of Bethel AME Church; Bishop Donald E. Green of The San Francisco Christian Center; Dr. Calvin Jones of Providence Baptist Church; Dr. James McCray of Jones United Methodist and Dr. Arelious Walker of True Hope Church of God in Christ, has been one of San Francisco's most successful builders of affordable housing. The group has also been recognized for its commitment to fostering economic development across the City. Since 1997, Amanco, a multi-disciplined minority and woman-owned firm, has served as a successful and growing development, construction and technology firm.

Dr. George Davis and Baines & Robertson, Inc: A partnership between BVHP community leader Dr. George Davis and developer Michael Baines who collectively have a combined 50 years of experience in the development and construction business and have successfully formed partnerships with key stakeholders in the communities they serve. Founded in 1992, Baines & Robertson has developed a reputation as a leader in the field of construction and affordable housing development. This wholly African-American owned business was formed to foster the revitalization of under-utilized neighborhoods across the Bay Area.

Bethel AME Church (BAMEC): Under the leadership of Reverend Edgar Boyd, BAMEC has been a leader of building affordable housing in the Western Addition neighborhood for the past decade. BAMEC has also supported programs to provide social programming through Building and Construction Training, Life Skills Development and Computer Technology Training for community members.

Dr. Caesar Churchwell and McCoy Developments: This is a partnership between BVHP community leader Dr. Caesar Churchwell and McCoy Development. Over the past 25 years, McCoy Development has become one of the leading minority development companies in the Bay Area. McCoy has been recognized for its efforts to build affordable housing and commercial development that has helped create economic growth in the Bayview-Hunters Point community.

CONSTRUCTION CONTINUES AT HUNTERS POINT SHIPYARD



Construction continues on the Hilltop portion of Parcel A

Grading and Retaining Wall Stage of Construction Begins In January, grading and retaining wall construction work started at Parcel A of the Hunters Point Shipyard.

Construction companies Yerba Buena Engineering, headquartered in the Bayview-Hunters Point community, and Gordon Ball, headquartered in Alamo, Calif., are collaborating in a joint venture partnership to begin the grading and retaining work on the first phase of Hunters Point Shipyard.

A significant amount of local Bayview-Hunters Point-based companies will also be used in this phase of construction, including: Oliver Transbay Construction and Remediation Services, Inc., which will

perform grading work on the project. In addition, masonry firm Spencer Masonry headquartered in the Bayview will construct the retaining wall on Parcel A.

The grading stage of construction will include the movement of soil from the top of the hill on Parcel A down to the sides of the hills, creating a level surface to build homes. The soil will also be utilized to extend Oakdale Avenue into the Shipyard. The entire grading and retaining wall stage of construction is expected to last until late fall of this year.

"Lennar has spent numerous hours working with BVHP residents to develop a comprehensive dust control plan that will be implemented during the grading stage," said Miguel Galarza, President of Yerba Buena Engineering. "As construction moves forward, we will be careful to minimize disturbances to our neighbors."

Environmental Update In October 2004, after 14 years of careful study, all appropriate city, state and federal agencies concurred that Parcel A of the Hunters Point Shipyard is safe for residential use. The remaining parcels of the Hunters Point Shipyard are still owned by the Navy, which is working with the U.S. Environmental Protection Agency and other appropriate regulatory agencies to address remaining environmental issues.

The Parcel A Dust Control Plan was submitted by Lennar/BVHP as part of the planning process for Parcel A



redevelopment activities. The dust control plan was prepared in accordance with the requirements of the permit process established in Article 31 of the City and County of San Francisco Health Code and certain Bay Area Air Quality Management District (BAAQMD) regulations. It also addresses dust-related Environmental Impact Report mitigation measures applicable to redevelopment activities. To address community concerns about dust during redevelopment activities, the Hunters Point Shipyard Citizens Advisory Committee (CAC) worked with Lennar/BVHP and SFRA to develop and review the dust control plan.

Lennar/BVHP is making every effort to minimize disturbances in the community by implementing several dust control measures. These measures will include:

- Controlling dust generation with water
- Covering stockpiles of soil
- Monitoring wind conditions
- Minimizing traveling speeds for trucks
- Cleaning roads by having them watered down
- Monitoring noise with decibel meters
- Implementing twice-a-day street cleaners with water sprays

During all activities, construction inspectors will visually monitor dust, use portable dust-monitoring equipment to detect dust particles and use stationary sampling equipment to detect naturally-occurring asbestos fibers. If dust levels exceed applicable regulatory standards, work will be stopped until the dust is abated and applicable standards are no longer exceeded.

The CAC Environmental Subcommittee is hosting a series of community workshops to present a more in-depth explanation and analysis of dust control procedures. Please check www.hunterspointshipyard.com for the latest scheduled community session or contact the SFRA Site Office at (415) 822-4622 for more information.

Job Training Grants Awarded

Lennar/BVHP has awarded job training and employment assistance grants to five Bayview-Hunters Point community organizations. The recipients of the job training fund and descriptions of their training programs are:

- Chinese for Affirmative Action: to provide construction-related employment placement and job retention support

- City College of San Francisco (CCSF) Evans Campus: to establish an electrical and plumbing pre-apprenticeship training pilot program in cooperation with Young Community Developers and Chinese for Affirmative Action

- Bayview Hunters Point Center for Arts & Technology (BAYCAT): to provide digital and media arts training for BVHP Area residents

- CCSF Hekima Youth Program: to provide health career exposure and training for BVHP Area high school students

- Renaissance Parents of Success: to expand their career and employment program for BVHP Area foster youth

Lennar/BVHP is pleased to welcome them to our team.

Lennar Makes Donation to the Aging Campus

The Bayview-Hunters Point Multipurpose Senior Center is the recipient of a \$20,000 contribution from developer Lennar/BVHP. These funds are going toward the planning and development of a campus for seniors in the Bayview-Hunters Point community.

Headed by Dr. George Davis, Executive Director of the Bayview-Hunters Point Multipurpose Senior Center, the planned Aging Campus will be a comprehensive and integrated system of housing and services for current and future senior residents of Bayview-Hunters Point. Lennar is also working with Dr. Davis on the potential development of Senior Housing on the Hilltop portion of Parcel A, as part of the Shipyard redevelopment. Dr. Davis had partnered with Baines and Robertson to determine the feasibility of developing a Hilltop block.

“Lennar has been incredibly supportive of the Aging Campus, and a very good partner for the community. This contribution will help create a location where seniors in the Bayview-Hunters Point community age in their community with convenient neighborhood services,” says Dr. Davis.

Additional funding is now being sought to begin the process of finding a site for the complex along the Third Street corridor, near the Senior Center location on 1706 Yosemite Ave.

Lennar chose the Aging Campus as one of its Focused Acts of Caring projects in 2004, and has been involved in the process of creating the Aging Campus development.

“Dr. Davis and his team are doing a

remarkable job for the seniors in the community,” said Kofi Bonner, Lennar Division President. “This check is just a small token of the true admiration we have for the work of Dr. Davis.”

More Progress At The Shipyard In the coming months, more progress will be made on the redevelopment of the Shipyard. The following are a few items to look forward to:

- The BVHP community will continue to participate in the redevelopment of Parcel A through various events, programs and workshops scheduled to take place (see calendar on next page).
- The contractors for the Infrastructure Improvements stage will be selected.
- There will be additional informational workshops pertaining to the Homebuyers Assistance and Construction Assistance programs.

Our Website, New and Improved: www.hunterspointshipyard.com

Progress on the redevelopment of the Hunters Point Shipyard also extends to our updated and redesigned website, www.hunterspointshipyard.com. The site has been improved to offer layers of easily accessible information about bid proposals, community benefits program information and applications and updates on the latest community events. Community input is important to the Lennar/BVHP team, so if you are interested in providing suggestions to make the website more user-friendly or just have additional comments, please contact us at: info@hunterspointshipyard.com. Also, for any questions or concerns related to construction activities on Parcel A, please call the Lennar Toll Free Hotline at (866) 5-LENNAR, available 24 hours a day, 7 days a week.

HUNTERS POINT SHIPYARD PARCEL A REDEVELOPMENT OVERVIEW

- Comprised of 63 acres
- 1,238 residential homes
- 25 acres of recreation and open space
- roughly 20,000 square feet of commercial and retail space
- Construction began in late Summer 2005
- 11 Community Benefits Programs to facilitate the Bayview-Hunters Point community

AN IN-DEPTH LOOK AT THE COMMUNITY BENEFITS PROGRAMS

Lennar/BVHP and the city of San Francisco are working hard to ensure that the Community Benefits Programs requirements are met in a timely fashion. The benefits programs include:

Construction Assistance: provides technical and financial assistance as well as general liability insurance through the Owner Consolidate Insurance Program (OCIP) to contractors participating in the construction process of Phase 1

Contact: John Scott, Construction Assistance Liaison (415) 671-0829

Financial Assistance: initiates outreach to financial institutions to introduce them to the Shipyard development, explain the general financial needs of the BVHP Area Contractors and assist BVHP Area Contractors in accessing necessary financing such as lines of credit, loans or other financial assistance based on conventional underwriting practices

Contact: John Scott, Construction Assistance Liaison (415) 671-0829

MBE/WBE Mentorship Protégé Program: creates a professional mentoring partnership between contractors and local BVHP businesses

Contact: Alton Byrd, Mentorship Protégé Program Manager (888) 381-7731

Community Builder: develops 30% of lots designated for private housing in a joint venture with Lennar/BVHP or singularly as an independent developer

Contact: Clem Clarke, Community Benefits Liaison (415) 995-1770

International African Marketplace: an open-air marketplace for local grocers and artisans to retail their goods

Contact: Alton Byrd, Project Clear Focus (888) 381-7731

Cultural Historical Recognition Program: honors the history and culture of the BVHP neighborhood through art and urban architecture

Contact: Ilona McGriff, Lennar/BVHP Fundraising Consultant (510) 238-8428

Business Incubator: designates space for the growth and development of a variety of local businesses in BVHP

Contact: Cliff Miller, Lennar Partners (415) 995-1770

Homebuyers Assistance: educates the Bayview-Hunters Point (BVHP) community of homeownership opportunities, first-time buyer financing programs and to provide counseling services

Contact: Lynn Bell, Lennar Homes (415) 995-1770

Job Training and Employee Assistance: works with established community job training organizations to identify job training and social service

needs in the neighborhood

Contact: Laura Luster, L Luster Associates (510) 282-7769

Local Community Priority Leasing: provides leasing space for displaced BVHP businesses to locate and/or expand on the Shipyard

Contact: Cliff Miller, Lennar Partners (415) 995-1770

Small Business Assistance Program: assists BVHP local businesses to obtain contracts for and participate in other business opportunities at the Shipyard

Contact: Cliff Miller, Lennar Partners (415) 995-1770

Please logon to www.hunterspointshipyard.com for more information on program contacts and numbers, as well as dates for the workshops where you can learn how those programs best benefit the Bayview-Hunters Point community.



Lennar/BVHP Community Benefits Program Manager Clem Clarke

For a perspective on how the Bayview-Hunters Point community can benefit from the community benefits programs, we spoke with Clem Clarke, Lennar/BVHP Community Benefits Programs Manager, about her vision for the program.

Question: What is the purpose of the Community Benefits Programs?

Answer: The Lennar/BVHP Community Benefits Programs are a group of programs that were established in collaboration with the San

Francisco Redevelopment Agency and the community. The purpose for these programs is to demonstrate Lennar's commitment to economic development and social goodwill within the BVHP area.

Question: What will be the long-term effects of these programs within the Bayview-Hunters Point community?

Answer: Economic development is absolutely critical to any community. When Lennar established the Community Benefits Programs, the goals were twofold: first, to create employment, job readiness, job training, small business entrepreneurial, and home ownership opportunities for the community surrounding the Shipyard; and second, to achieve economic development in the area surrounding the Shipyard.

Question: What are the upcoming important dates for

the community in relation to the Community Benefits Programs?

Answer: Each Community Benefit Program has regularly scheduled workshops. All scheduled workshop and events are published on the Hunters Point Shipyard website: www.hunterspointshipyard.com.

Additionally, I encourage the community to regularly attend the Hunters Point Shipyard Citizens Advisory committee meetings on the second Monday of every month. At these meetings, Lennar/BVHP provides regular community and construction updates.

Question: How can community members contact you if they have questions or concerns?

Answer: As the Community Benefits Manager, I can be contacted by phone 415-995-1770 ext. 543, fax 415-995-1778 or by e-mail clem.clarke@lennar.com.

HUNTERS POINT SHIPYARD HISTORY

1867	Shipyards established as first dry dock on the west coast
1974	Hunters Point Shipyards closed
1993	Congress authorizes transfer of Shipyards to City and County of San Francisco
1999	Lennar/BVHP selected as the primary developer
2000	Preliminary Development Concept created
2003	Parcel A approved for residential reuse by all relevant federal, state and local agencies
2004	U.S. Navy transfers Parcel A to the City and County of San Francisco
2005	City of San Francisco transfers Parcel A to Lennar/BVHP
2005	Parcel A construction begins on August 12, 2005
2006	Parcel A Grading construction stage begins January 25

KIDS CORNER — CREATING ART AND BEAUTY FOR THE SHIPYARD



Alyssa Videau • Age 11, 6th Grade
"African Sunset" • Tempera on Paper, 12 x 18



Sierra Warren • Age 12, 6th Grade
"The Tiger's Wink" • Tempera on Paper, 12 x 18



Vashaun Tillery • Age 9, 3rd Grade
"The Cardinal Walking on Air" • Tempera on Paper, 12 x 18

COMMUNITY SPOTLIGHT — YOUR QUESTIONS AND CONCERNS

As part of Lennar/BVHP's community outreach, the Hunters Point Shipyard newsletter will post community questions from informational workshops. Lennar/BVHP and the city of San Francisco believe that community involvement and participation in the redevelopment process of the Shipyard makes the community better for everyone. The following questions discuss issues relating to the Homebuyers Assistance Program.

Question: What do you lose by not having mortgage insurance?

Answer: UAMC has been able to obtain a waiver of required mortgage insurance for the Affordable Housing Homes in Hunters Point Shipyard from Freddie Mac, the stockholder-owned corporation chartered by the U.S. Congress that works to increase the supply of funds that mortgage lenders can make available to homebuyers and multifamily investors. Mortgage insurance is provided to protect the lender when equity is less than 20%. The customer does not

lose, although the lender could potentially lose in the event of foreclosure. Today we have many options to avoid the direct payment of Mortgage Insurance and many are used as an alternative when purchasing a home in California.

Question: What assistance programs are offered by the Mayor's Office of Housing (MOH)?

Answer: MOH offers a variety of assistance programs to low and moderate income first-time homebuyers for the purchase of affordable single-family homes, townhouses and condominiums. This assistance takes the form of mortgage credit certificates, down payment assistance loans, silent second loans for the purchase of existing homebuyer units and opportunities to purchase exclusionary units in market rate developments.

Question: Can MOH assistance be used with the Redevelopment Agency's Limited Equity Program?

Answer: Yes, the MOH's Mortgage Credit Certificate (MCC) and down payment Assistance Loan Program (DALP) can be used with the Redevelopment Agency's Limited Equity Program.

Question: If an interested buyer does not live in the three zip codes (94124, 94134, 94107), what are the chances/odds of getting into a [HPS] unit, assuming you qualify?

Answer: There will be a lottery for all the affordable homes on the Hunters Point Shipyard on Parcel A, so the odds of getting a home are the same whether a person lives in the BVHP Area or not. Within the lottery system, there are several priority levels: SFRA Certificate of Preference holders (previously displaced by redevelopment activity), San Francisco residents and all other residents. These priorities are not affected by the current zip code of the applicant.



FEATURED SMALL BUSINESS



Yvonne Hines of Pralines by Yvonne

Pralines By Yvonne

PO Box 885272
 San Francisco, CA 94188
 (415) 368-7900
pralines@mail.com

Specialty:

Hand Made Pecan Candy, Cakes, Cookies & Pies, Party Favors & Gift Baskets

Why Pralines are her business:

Yvonne began her mission to bring something sweet into every child's life by hosting an annual Easter Egg hunt with a basket of pralines as the Grand Prize. As a result, family and friends encouraged Yvonne to make pralines for various gatherings, launching Yvonne into a business she immensely enjoys.

Pralines by Yvonne is based on the Hunters Point Shipyard, as part of the Eclectic Cookery catering group.

For the first time in the history of the Bayview-Hunters Point community, Lennar/BVHP has created a comprehensive directory of local small businesses to promote their goods and services. To get a copy of the Small Business Assistance Directory, or to learn more about the SBA program, please visit www.hunterspointshipyard.com.

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HUNTERS POINT SHIPYARD

A COMMUNITY UPDATE FROM LENNAR/BVHP, LLC

140 Second Street, 6th Floor
 San Francisco, CA 94105

DON'T MISS THIS!	
May 8	Full CAC, Alex Pitcher Room, 1800 Oakdale Avenue, 6-8 p.m.
May 9	CAC Business & Employment Subcmte, SFRA Site Office, Lennar Trailer
May 10	CAC Supervisory Subcmte, SFRA Site Office, Lennar Trailer Compound
May 10	CAC Outreach Subcmte, SFRA Site Office, Lennar Trailer Compound
May 11	CAC Planning Subcmte, SFRA Site Office, Lennar Trailer Compound
May 17	Homebuyers Assistance Workshop, John W King Senior Center, 500 Raymond Avenue, 6-8 p.m.
May 31	CAC Executive Cmte, SFRA Site Office, Lennar Trailer Compound