



THE FIRST ANNUAL YBN GOOD NEIGHBOR RECEPTION

Over 100 people attended TODCO's first annual YBN 2001 Great Neighbor Reception on March 16, 2001. This lunchtime event was hosted by Restaurant LuLu, which provided terrific hors d'oeuvres for 150 community residents and business leaders to celebrate South of Market Community Building.

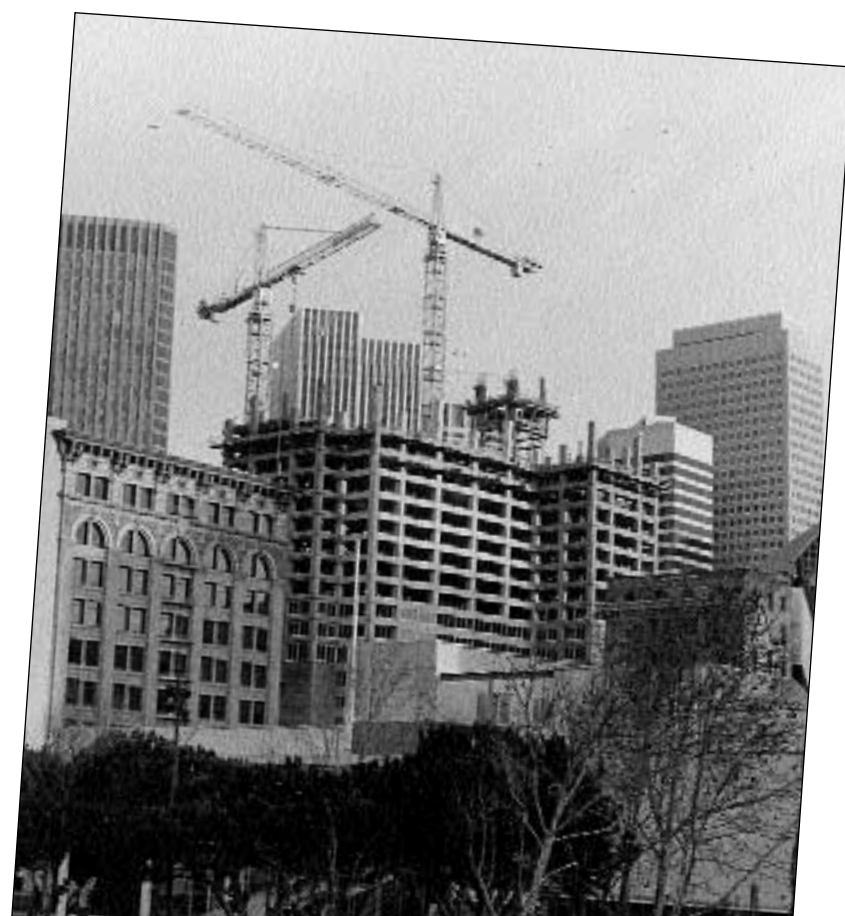
San Francisco Supervisors Chris Daly and Jake McGoldrick were Guests of Honor for the Reception and praised TODCO's dedication to Community Building. Other guests included representatives of other South of Market community based organizations, members of the Yerba Buena Consortium and government and private partners in TODCO's mission to preserve affordable housing.

The Reception specifically recognized three Yerba Buena Neighborhood socially responsive developers: Summit Partners, The Related Companies of California and WDG Ventures. These real estate developers were honored for setting a positive and constructive tone of community-private-public partnership by incorporating vital community goals into their projects. Summit Partners are the developers of the new Aurora Apartments at Fourth and Harrison Streets, including the long-needed neighborhood supermarket. The

Related Companies of California are the developers of the mixed-income 40 story tower now under construction at Third and Mission Streets that will include 99 affordable apartments. WDG Ventures are the founding local development partners of the Sony Metreon Center and its precedent-setting community employment program.

The example set by these companies inspired more than 20 other private sector companies to contribute to the fundraiser, raising a total of \$75,000 to support TODCO's ongoing activities. The contributions will be used to leverage approximately \$500,000 per year in foundation grants and outside services program funding to assist TODCO's 1,000 low-income senior, disabled and SRO tenants and to advance our major community development projects.

TODCO's future annual Yerba Buena Great Neighbor Awards will honor economic development which reinforces and supports the longtime diversity of South of Market, rather than the more typical impacts of displacement and neglect of long-time, low income residents. San Franciscans know that the best neighborhoods are truly Communities with a vibrant diversity of ages, incomes and cultures. The South of Market stakeholders present at YBN 2001 demonstrated their intent to see that this ideal is maintained.



TODCO Officers & Directors



Isabel Ugat
Former SOMA Advocate/
Community Organizer



Charles Turner Jr.
Community Design Center



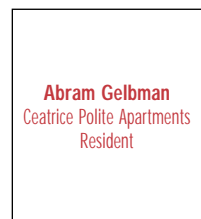
Paul Laus
Mendelsohn House
Residents' Association



Luis Calderon
Independent Living
Resource Center



Dick Wilson
Woolf House
Residents' Association



Abram Gelbman
Ceatrice Polite Apartments
Resident



Gina Margillo
California Environmental
Protection Agency



Bernadette Sy
Filipino-American
Development Foundation



Ligaya Avenida
San Francisco
Unified School District



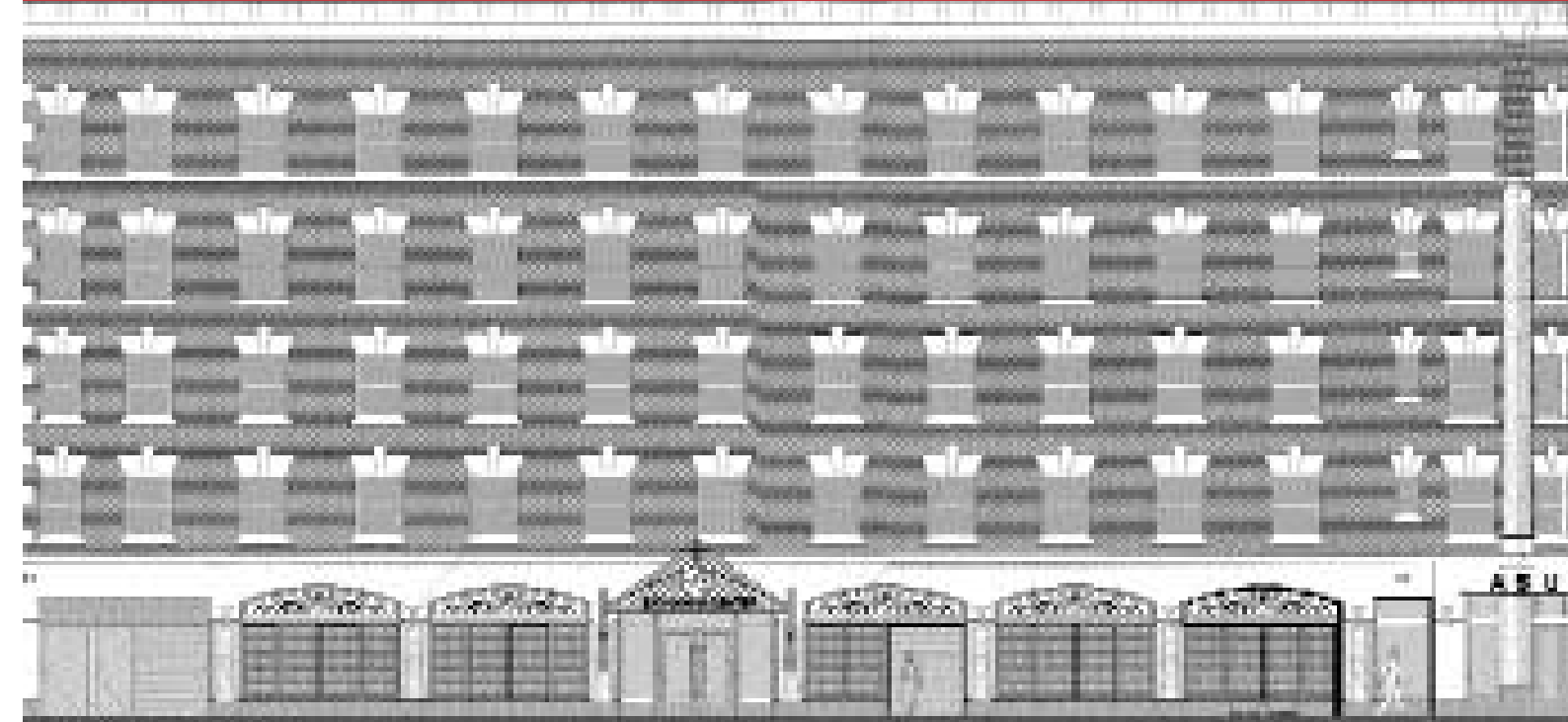
Henry Perez
Former
Sixth Street Merchant



John Elberling
TODCO Group
Executive Vice-President

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BAYANIHAN HOUSE – OUR NEWEST PROJECT

As *South of Market Neighborhood Builders*, the Mission of the TODCO Group is much more than the development of affordable housing. Today the Delta Hotel conspicuously stands, fire-ravaged and empty, at the South of Market Neighborhood's most distressed intersection – Sixth and Mission Streets – a focus of urban and human deprivation. Yet until the tragic fire of August 1997 the Delta Hotel was the prominent residential asset of our Neighborhood's longtime and vital Filipino-American immigrant community. It was the home and social center of the Central City's elderly Filipino Veterans of World War II who have resolutely sought equity and justice in the United States for 55 long years. Both physically and morally then, the Delta Hotel was – and must be again – at the heart of this underserved Community, and at the center of its better future.

To respond to this pivotal moment, TODCO has joined with the Filipino-American Development Foundation and the Veterans Equity Center to undertake the renewal and rebirth of the Delta Hotel as "Bayanihan House." Our mutual effort will honor the fundamental values of the Filipino people for community sharing, mutual assistance

and mutual caring, and further extend that benefit to the diverse population of our Sixth Street Community.

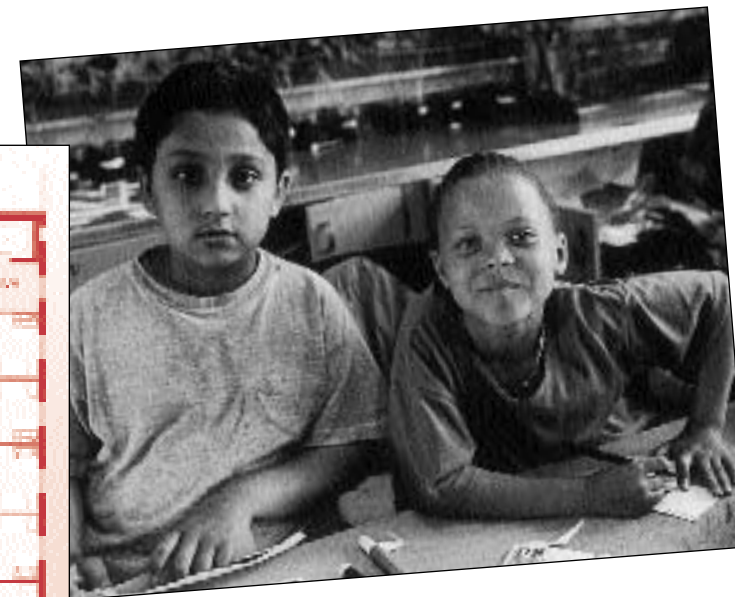
Bayanihan House will have 152 furnished SRO rooms with kitchenettes and quality residential amenities, including 40 very low rent Section 8 units, with the rest renting for \$425 per month.

They will be marketed to the residents of the Central City's many residential hotels, especially the Filipino-American Veterans of World War II. These poor, predominantly elderly residents will be provided with a range of support services, security protections, emergency response and recreational amenities in a setting of quality and respectful property management.

The Filipino-American Development Foundation's *Bayanihan Center* will occupy 8,000 square feet of Bayanihan House's ground floor. Its future facilities and programs are now in the early planning process, and may include a job training and employment skill center, immigration and legal services, after school tutorial/peer counseling programs, cultural language enrichment, and intergenerational/senior recreational programs. The Veterans Equity Center now located a block away in

rehabilitation by Lem Construction Inc. began in November. The new Bayanihan House will open upon its completion in December of 2002. Principal equity financing of \$12 million is being provided by the Enterprise Social Investment Corp., with an additional \$2.5 million loan from the San Francisco Redevelopment Agency and \$2.7 million from the City of San Francisco Seismic Safety Loan Program.

The outcome of this collective community-building effort will be Bayanihan House's transformation of our Neighborhood's most derelict corner into a community haven for Sixth Street's elders, and a foundation for the future of the Central City's Filipino-American Community.



TODCO's Isabel Hotel will become an essential part of Bayanihan Center, offering legal and immigration services.

The striking design for Bayanihan House has been developed by architects Barcelon & Jang, working with Greg Roja and Associates, architects for the Bayanihan Center. The \$11 million of total

A NEW TODCO GROUP MISSION STATEMENT MATCHES THE CHALLENGES OF A NEW ERA

Today our South of Market Neighborhood truly faces "... the best of times, and the worst of times."

40 years of massive "redevelopment" and billions of dollars of public investment in the Yerba Buena Center and Rincon Hill/South Beach districts have built spectacular new neighborhoods and commercial complexes, beautiful parks and museums, and both personal and civic wealth. In the last few years this wave of change swept suddenly through most of western SOMA with dozens of glittering dot.coms and thousands of stylish lofts ... until the bubble burst.

But too many of the poor and working people of the South of Market – its residential hotel tenants, the homeless, and longtime Filipino-American immigrants in particular – have not yet realized the benefits of SOMA's growth. Or at worst, they are the victims of it – displaced by "gentrification" or blamed for the delays of the Redevelopment Agency's "urban revitalization" projects on Sixth Street and in the Mid-Market District.

So today new live/work condominium owners live on the same block of Sixth Street as slum hotel tenants. The prosperous live/work owners pay \$35 to \$40 in mortgage and expenses per year for every square foot of their expansive new homes, and visit chic new SOMA restaurants for dinner. The low-income hotel tenants nearby pay \$50 or more in rent per year for every square foot of their tiny rooms with no kitchen, no refrigerator, no bath, and no decency, with little money left even to buy groceries at high-priced convenience stores. And each year there are fewer hotel rooms for rent thanks to fires, illegal conversions, and owners who leave their hotels empty for speculation. So hundreds of homeless sleep on SOMA's sidewalks every night.

Meanwhile, since 1970 over 8,000 market-rate condominiums and apartments have been built throughout SOMA. Yet over the same time span rents for its older wood flats increased by more than 1,000%, causing hundreds of working class and Filipino-American immigrant families to be displaced. In response, 1,200 new affordable family apartments have been built throughout SOMA in these same years or are planned, but SOMA residents hold priority for only a few of these projects.

The one great success of these past 30 years is Yerba Buena Gardens, where 1,800 elders and 600 others who live in TODCO's "TOOR Replacement Housing" and several other senior residences and affordable rental complexes enjoy a beautiful, new, safe and fun neighborhood with many support services. But just two blocks away Sixth Street remains the City's dangerous and desperate Skid Row.

How then does a genuine "community-based" organization like TODCO respond to such dramatic change and threats to its communities, yet realize the potential opportunities for their better futures that come with major economic and urban development?

Over this past year TODCO's Board of Directors and staff reflected deeply on how social and economic justice can be combined with our community development work in such extraordinary circumstances. Our initial response is this new TODCO Group Mission Statement that directly and clearly establishes a foundation and framework of purpose and values for TODCO's projects, programs, and responsibilities. Starting now.

To be continued ...

TODCO GROUP MISSION STATEMENT

As *South of Market Neighborhood Builders*, it is the Mission of the TODCO Group to assure that the poor, the disadvantaged, and the working people of the South of Market –elders, hotel residents, homeless, immigrants and families–will always be an integral part of their Neighborhood's future, always benefited rather than displaced by its renewal, and able:

- To meet basic needs for housing, nutrition and economic security, ending deprivation.
- To live in safety with dignity, respect and equity, ending isolation and exploitation.
- To share community productivity to build social capital, institute wellness, expand common assets, and impact the future.
- To achieve their just aspirations now and for generations to come.

Working together with South of Market's many communities, our Vision is to realize here at last: a just and inclusive *Neighborhood of Opportunity*.