From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Ocean Avenue Association''s Endorsement Letter for the Balboa Reservoir
Date:	Thursday, July 23, 2020 3:51:01 PM
Attachments:	BR Letter 6.12.2020.docx

From: Ocean Avenue CBD <info.oacbd@gmail.com>
Sent: Thursday, July 23, 2020 3:37 PM
To: Yee, Norman (BOS) <norman.yee@sfgov.org>; Low, Jen (BOS) <jen.low@sfgov.org>; Major, Erica (BOS) <erica.major@sfgov.org>; Peskin, Aaron (BOS) <aaron.peskin@sfgov.org>; Safai, Ahsha (BOS) <ahsha.safai@sfgov.org>; Wong, Linda (BOS) <linda.wong@sfgov.org>; Fewer, Sandra (BOS) <sandra.fewer@sfgov.org>; HNC <hnchung@cclg.net>; Henry Kevane <hkevane@pszjlaw.com>; Ocean Avenue CBD <info.oacbd@gmail.com>
Cc: Scott Falcone <scott@falconedevelopment.com>; Nora Collins <nora_collins@avalonbay.com>
Subject: Ocean Avenue Association's Endorsement Letter for the Balboa Reservoir

Supervisor Yee and Members of the Board of Supervisors,

Attached is the Ocean Avenue Association Board of Directors letter of support.
Dan
Daniel Weaver
Executive Director
Ocean Avenue Association
t: 650-273-6223
e: info.oacbd@gmail.com.

June 12, 2020

Support Letter for the Balboa Reservoir Partners Project

President Norman Yee and the Board of Supervisors
San Francisco City Hall

Dear President Yee,

The Ocean Avenue Association supports the proposed Balboa Reservoir development plan. We are in favor of the affordable family housing targets, especially housing units designed to accommodate families and extended families. We also support the much needed neighborhood park and green spaces. Moreover, we appreciate that the development does not create commercial space in competition with our constituent businesses on Ocean Avenue.

We look forward to working with you on our specific concerns. Namely, improving neighborhood transportation, ensuring infrastructure improvements are made, and creating an appropriate transition from the project to the Ocean Avenue commercial corridor.

We recognize that the development plan is just that, a plan. Accordingly, we look forward to working with the developer and providing input into the project.

Sincerely,
Daniel Weaver, Executive Director
Ocean Avenue Association
1728 Ocean Avenue PMB 154
San Francisco, CA 94112
415.404.1296
info.oacbd@gmail.com

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Letter in support of Balboa Reservoir
Date:	Thursday, July 23, 2020 1:35:49 PM

From: Genna Yarkin <info@sg.actionnetwork.org>
Sent: Thursday, July 23, 2020 1:30 PM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Letter in support of Balboa Reservoir

Linda Wong,

I am a land use attorney and passionate housing advocate practicing in San Francisco, and I would like to register my support for the Balboa Reservoir project.

This is a rare opportunity for hundreds of families to secure an affordable place to live in our increasingly unaffordable city.

Making sure our essential workers are able to stay in San Francisco and continue to be part of the fabric of our community is more important than ever. Balboa Reservoir will be a huge help.

The inclusion of a childcare center on the site and the addition of public spaces that everyone can use is also wonderful. I know that great pains have been taken to keep these homes closely integrated with the wider neighborhood - this is a development where everyone will be included.

Placing these homes on the site of the CCSF overflow parking lot is a good use of public land. The City has proceeded wisely in assembling the mix of housing on the site and maximizing the number of affordable homes.

I strongly encourage the Board of Supervisors to endorse this project. We simply NEED more housing, especially affordable housing, and this project is consistent with City requirements.

Thank you very much for taking the time to consider this submission - this is a wonderful opportunity to work with affordable housing partners to right an ongoing wrong in our State and in San Francisco.

Sincerely,
Genna Yarkin

Genna Yarkin
gyarkin89@gmail.com
50 California Street Suite 2800
San Francisco, California 94111

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Letter in support of Balboa Reservoir
Date:	Thursday, July 23, 2020 11:18:07 AM

From: Cassandra Yang <info@sg.actionnetwork.org>
Sent: Thursday, July 23, 2020 10:27 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Letter in support of Balboa Reservoir

Linda Wong,

I am a resident of San Francisco and would like to register my support for the Balboa Reservoir project.

This is a rare opportunity for hundreds of families to secure an affordable place to live in our increasingly unaffordable city.

Making sure our essential workers are able to stay in San Francisco and continue to be part of the fabric of our community is more important than ever. Balboa Reservoir will be a huge help.

The inclusion of a childcare center on the site and the addition of public spaces for that everyone can use is also very welcome. I appreciate that great pains have been taken to keep these homes closely integrated with the wider neighborhood - this is a development where everyone will be included.

Placing these homes on the site of the CCSF overflow parking lot is a good use of public land. The City has proceeded wisely in assembling the mix of housing on the site and maximizing the number of affordable homes.

I strongly encourage the Board of Supervisors to endorse this project.

Thank you for taking the time to consider this submission.

Sincerely,

Cassandra Yang

Cassandra Yang

cyang619@hotmail.com
442 Monterey Blvd
San Francisco, California 94127

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Thursday, July 23, 2020 9:20:58 AM

From: Martin Munoz <info@email.actionnetwork.org>
Sent: Wednesday, July 22, 2020 5:52 PM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

Please do not delay or deny hundreds of affordable new homes next to transit. Approve the project.

Martin Munoz
martinmunozdz@gmail.com
744 Oak Street
San Francisco, California 94117

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Thursday, July 23, 2020 9:19:58 AM

From: Seeyew Mo <info@email.actionnetwork.org>
Sent: Thursday, July 23, 2020 8:33 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Seeyew Mo and I live in the Westwood Highlands neighborhood. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

Given our City's dire housing crisis and the lack of affordable housing, I support the City's efforts to provide new housing opportunities for San Franciscans, especially when the new homes are built in places with good transportation access and existing services. The best combination would be new affordable housing for families located near family-friendly amenities, like playgrounds, parks, and child care centers.

The Reservoir Partners development proposal of 1,100 homes includes 550 affordable homes for people earning between 30% and 120% area median income (AMI). These affordable rental homes sized for working families will be built by San Francisco-based non-profits BRIDGE Housing and Mission Housing, along with a handful of for-sale affordable homes built by Habitat For Humanity. One of these rental buildings with approximately 150 apartments will offer prioritized housing for City College educators and staff earning between 80%-120% AMI with a secondary preference for SF Unified School District educators and staff. As with the market-rate apartments being built concurrently, all of these households will have access to the new neighborhood park, dog play areas, and the on-site child-care center that create a strong family friendly environment for future residents and all existing neighbors. Please support this project.

Seeyew Mo
seeyew@gmail.com

735 Mangels Avenue
San Francisco, California 94127

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Thursday, July 23, 2020 9:20:49 AM

From: Michael McCauslin <mmccaus@sbcglobal.net>
Sent: Wednesday, July 22, 2020 8:16 PM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Michael McCauslin and I live in the Ingleside neighborhood, just two blocks from the proposed entrance to the housing at the Balboa Reservoir. I've lived here for five years and previously lived just a mile away in the Excelsior for 15 years. I have been participating in the community planning process for the Balboa Reservoir and am writing in strong support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

Given our City's dire housing crisis and the lack of affordable housing, I support the City's efforts to provide new housing opportunities for San Franciscans, especially when the new homes are built in places with good transportation access and existing services. Having worked for 27 years as a teacher in SFUSD and now as a retired teacher, I know all too well the burdens that SF's housing shortage puts on residents. The best solutions would be new affordable housing that is dense, has a mixture of sizes and types and affordabilities, and is located near amenities like playgrounds, parks, child care could go uh, and transportation.

The Reservoir Partners development proposal of 1,100 homes includes 550 affordable homes for people earning between 30% and 120% area median income (AMI). These affordable rental homes sized for working families will be built by San Francisco-based non-profits BRIDGE Housing and Mission Housing, along with a handful of for-sale affordable homes built by Habitat For Humanity. One of these rental buildings with approximately 150 apartments will offer prioritized housing for City College educators and staff earning between 80%-120% AMI with a secondary preference for SF Unified School District educators and staff. As with the market-rate apartments being built concurrently, all of these households will have access to the new neighborhood park, dog play areas, and the on-site child-care center that create a strong family friendly environment for future residents and all existing neighbors. I feel the addition of the many new residents in this project will bring added vibrancy to the neighborhood, eventually revitalizing more of Ocean Avenue and sparking all kinds of growth. Please support this project.

Michael McCauslin
mmccaus@sbcglobal.net
134 Lee Avenue
San Francisco, California 94112

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Thursday, July 23, 2020 9:20:24 AM

From: Jonathan Winston <info@email.actionnetwork.org>
Sent: Thursday, July 23, 2020 7:27 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Jonathan Winstonand I live in the Sunyside neighborhood. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

Given our City's dire housing crisis and the lack of affordable housing, I support the City's efforts to provide new housing opportunities for San Franciscans, especially when the new homes are built in places with good transportation access and existing services. The best combination would be new affordable housing for families located near family-friendly amenities, like playgrounds, parks, and child care centers.

The Reservoir Partners development proposal of 1,100 homes includes 550 affordable homes for people earning between 30% and 120% area median income (AMI). These affordable rental homes sized for working families will be built by San Francisco-based non-profits BRIDGE Housing and Mission Housing, along with a handful of for-sale affordable homes built by Habitat For Humanity. One of these rental buildings with approximately 150 apartments will offer prioritized housing for City College educators and staff earning between 80%-120% AMI with a secondary preference for SF Unified School District educators and staff. As with the market-rate apartments being built concurrently, all of these households will have access to the new neighborhood park, dog play areas, and the on-site child-care center that create a strong family friendly environment for future residents and all existing neighbors. Please support this project.

Jonathan Winston
jwinstonsf@gmail.com

518 Joost Ave
San Francisco, California 94127

From: Wong, Linda (BOS)
To: Jalipa, Brent (BOS)
Subject: FW: Letter in support of Balboa Reservoir
Date: Thursday, July 23, 2020 1:35:39 PM

From: Maureen Persico <info@sg.actionnetwork.org>
Sent: Thursday, July 23, 2020 12:54 PM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Letter in support of Balboa Reservoir

Linda Wong,

I am a resident of San Francisco and would like to register my support for the Balboa Reservoir project.

This is a rare opportunity for hundreds of families to secure an affordable place to live in our increasingly unaffordable city.

Making sure our essential workers are able to stay in San Francisco and continue to be part of the fabric of our community is more important than ever. Balboa Reservoir will be a huge help.

The inclusion of a childcare center on the site and the addition of public spaces for that everyone can use is also very welcome. I appreciate that great pains have been taken to keep these homes closely integrated with the wider neighborhood - this is a development where everyone will be included.

Placing these homes on the site of the CCSF overflow parking lot is a good use of public land. The City has proceeded wisely in assembling the mix of housing on the site and maximizing the number of affordable homes.

I strongly encourage the Board of Supervisors to endorse this project.

Thank you for taking the time to consider this submission.

Sincerely,
Maureen Persico

Maureen Persico

SFWOM1@gmail.com
4026 Folsom Street
San Francisco, California 94110

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Letter in support of Balboa Reservoir
Date:	Thursday, July 23, 2020 9:20:16 AM

From: Edita Santiago <info@sg.actionnetwork.org>
Sent: Thursday, July 23, 2020 7:28 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Letter in support of Balboa Reservoir

Linda Wong,

I am a resident of San Francisco and would like to register my support for the Balboa Reservoir project.

This is a rare opportunity for hundreds of families to secure an affordable place to live in our increasingly unaffordable city.

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Placing these homes on the site of the CCSF overflow parking lot is a good use of public land. The City has proceeded wisely in assembling the mix of housing on the site and maximizing the number of affordable homes.

I strongly encourage the Board of Supervisors to endorse this project.

Thank you for taking the time to consider this submission.

Sincerely,
Edita Santiago

Edita Santiago

edita_santiago@glic.com
535 Haight Street
San Francisco, California 94117

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Oppose the Balboa Reservoir Project: No to Corporate Welfare – Yes to CCSF
Date:	Wednesday, July 22, 2020 5:11:41 PM

From: Leslie Simon <simscha@sbcglobal.net>
Sent: Wednesday, July 22, 2020 5:03 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>; MandelmanStaff, [BOS] <mandelmanstaff@sfgov.org>; Mar, Gordon (BOS) <gordon.mar@sfgov.org>; Peskin, Aaron (BOS) <aaron.peskin@sfgov.org>; Preston, Dean (BOS) <dean.preston@sfgov.org>; Fewer, Sandra (BOS) <sandra.fewer@sfgov.org>; Ronen, Hillary <hillary.ronen@sfgov.org>; Safai, Ahsha (BOS) <ahsha.safai@sfgov.org>; Stefani, Catherine (BOS) <catherine.stefani@sfgov.org>; Walton, Shamann (BOS) <shamann.walton@sfgov.org>; Yee, Norman (BOS) <norman.yee@sfgov.org>; ttemprano@ccsf.edu; davila <davila@sfsu.edu>; ivylee@ccsf.edu; alexrandolph <alexrandolph@ccsf.edu>; jrizzo@ccsf.edu; tselby <tselby@ccsf.edu>; studenttrustee@mail.ccsf.edu; rvurdien@ccsf.edu; swilliams <swilliams@ccsf.edu>; Haney, Matt (BOS) <matt.haney@sfgov.org>; Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Oppose the Balboa Reservoir Project: No to Corporate Welfare – Yes to CCSF

Dear public officials,

As a long time City College instructor and community activist, I am writing to ask you to oppose the Balboa Reservoir Project which you will soon be voting on.

The City is about to sell the Balboa Reservoir, which is public land, to a corporate housing developer whose CEO makes $10M/year. The developer claims that by building 550 market rate units it will be able to subsidize an additional 550 affordable, or below market rate units. In reality, it is mainly city and state funds that will subsidize the affordable units.

Several community groups have been consulting with **Joseph Smooke of People. Power. Media.** We have forwarded his assessment to you. As one of the main community developers of the 1100 Ocean deeply and 100% affordable housing, Mr. Smooke has determined that it is possible to fund 100% deeply affordable housing at the Balboa Reservoir **without cross-financing with market rate housing.**

The housing crisis in San Francisco is an affordable housing crisis. This Project, built on public land, should be a 100% truly affordable development.

Even worse, the City is selling the land at a deep discount to this private developer, subsidizing a wealthy corporation with tax payer's dollars. It's a sweetheart deal, corporate welfare at its worst and should not be tolerated.

An additional concern is that by building separate market rate and affordable units, the Project results in a development that creates de facto segregation. This is inconsistent with San Francisco's inclusionary housing policy, which mandates that affordable and market rate units should all be under the same roof, creating a diverse housing community. In addition the open space will be controlled by members of the Home Owners Association who are mainly the owners of market rate, not affordable, units.

This project will also cause irreparable harm to City College of San Francisco. The Balboa Reservoir land has been used by CCSF for decades. Currently it provides commuter students, staff, and faculty access to CCSF with essential parking. Loss of this parking, without first ensuring other viable transportation options, will make it difficult, if not impossible, for many of the low income students and students of color to access the campus and get the education and professional training they need.

This is a city-wide issue. We need a City government that fights for housing justice and education.

Please oppose this project. Say No to Corporate Welfare – Yes to CCSF.

Sincerely,

Leslie Simon

Leslie Simon
Cell: 415-377-5330
San Francisco

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project
Date:	Wednesday, July 22, 2020 3:40:18 PM
Attachments:	Board of Supervisors Letter.docx Att. I Smooke Letter & Resume.pdf Att. 2 Berkson Report.pdf

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From: Jean Barish <jeanbbarish@hotmail.com>
Sent: Wednesday, July 22, 2020 3:17 PM
To: Major, Erica (BOS) <erica.major@sfgov.org>; Wong, Linda (BOS) <linda.wong@sfgov.org>; Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>; swilliams <swilliams@ccsf.edu>; Tom Temprano <ttemprano@ccsf.edu>; davila <davila@sfsu.edu>; Ivy Lee <ivylee@ccsf.edu>; alexrandolph <alexrandolph@ccsf.edu>; John Rizzo <jrizzo@ccsf.edu>; tselby <tselby@ccsf.edu>; studenttrustee@mail.ccsf.edu; rvurdien@ccsf.edu; lmilloy@ccsf.edu; Breed, Mayor London (MYR) <mayorlondonbreed@sfgov.org>
Cc: madelinenmueller@gmail.com; Christine Hanson <chrissibhanson@gmail.com>; Wynd Kuafman <wendypalestine@gmail.com>; Vicki Legion <activistsf@gmail.com>; madelinenmueller@gmail.com; Leslie Simon <simscha@sbcglobal.net>
Subject: Balboa Reservoir Project

Dear Supervisors,

Attached is a letter and attachments from Public Lands for Public Good and Defend City College Alliance regarding the Balboa Reservoir Project.

We appreciate your attention to the issues raised in this letter.

Cordially,

Jean

Jean B Barish
Public Lands for Public Good
415-752-0185

Stay safe and be well

PUBLIC LANDS FOR PUBLIC GOOD
DEFEND CITY COLLEGE ALLIANCE

July 22, 2020

VIA EMAIL

San Francisco Board of Supervisors
Land Use and Transportation Committee
Budget and Finance Committee
1 Dr. Carleton Goodlett Place, #244
San Francisco, CA 94102

Re: **Balboa Reservoir Project**
Land Use and Transportation Committee Legislative Items: 200422; 200635
Budget and Finance Committee Legislative Items: 200423; 200740

Dear Supervisors:

We are writing on behalf of Public Lands for Public Good and Defend City College Alliance. On July 27, 2020 the Board of Supervisors Land Use and Transportation Committee will be considering legislation related to the Balboa Reservoir Project. This legislation involves amending the San Francisco General Plan, the Planning Code, and Zoning Maps to enable rezoning of the Balboa Reservoir. And on July 29, 2020 the Budget and Finance Committee will consider the Development Agreement and an Agreement for the Sale of Real Estate for this Project.

This legislation will enable the construction of a housing development of 1,100 units on land adjacent to City College of San Francisco. For the reasons set forth below, we respectfully request you do not recommend approval of any of this legislation.

I. <u>**Introduction**</u>

The Balboa Reservoir Project would develop the Balboa Reservoir with a combination of market rate and affordable housing. It will take over all of the land on the Balboa Reservoir, public land owned by the San Francisco Public Utilities Commission and used by City College of San Francisco (”CCSF,” “City College”) since 1946. It will privatize over sixteen acres of land by selling it to a private developer for an unjustified, unreasonable deep discount at a time when public land for 100% affordable projects is scarce. It dooms hope for restoring and growing enrollment at City College. And it will create significant impacts on pedestrian and bicycle safety, transit delay, and air and noise pollution. This Project deals multiple blows to CCSF and the City, and must be rejected.

II. <u>The Project will Cause Irreparable Harm to City College of San Francisco</u>

We are sure that the Supervisors understand the immense value that City College delivers to the City and County of San Francisco. The City itself previously performed a budget analysis on the financial impact of City College. In a detailed report to the Board of Supervisors, dated September 16, 2013, commissioned by Supervisor Eric Mar, the conclusion was that the financial benefits of City College to the City exceeded $311 million. But it’s not just about economics. It’s also about improving the quality of life of everyone in the City by providing well-educated and well-trained San Franciscans, from home health aides to tech workers to engineers to artists and musicians.

When the Budget and Finance Committee addressed the proposed Project in March of 2018, Supervisor Norman Yee recognized that there are a number of problems that the developers must address with City College, including parking, before he could approve the Project. He recognized that the school is a commuter school serving the interests of low-income students. In fact, more than 80% of the students at City College are low-income and/or persons of color. Many of these students have part-time jobs as well as family obligations. In order for them to squeeze in classes between other responsibilities they must drive to access their classes. These classes enable them to be upwardly mobile.

Recognizing the needs of City College students, Supervisor Yee stated at the March, 2018 meeting that parking was a key for such students. He said: “if we don’t have a solution, we’re not going to be able to move forward with this project.” The City representative responded, saying that the Developer had to reach a resolution with City College to replace the many spaces lost by the proposed Development.

A Fehr & Peers transportation report was submitted to City College in March of 2019. https://go.boarddocs.com/ca/ccsf/Board.nsf/files/BPHPXA618C17/$file/CCSF%20TDM%20Plan_2019-03-15_FP_Facilities%20May%2014%202020.pdf That report concluded that with the loss of parking due to the development, at least 980 replacement parking spaces were needed on low demand days, and that the unserved demand on peak times would be 1,767 spaces.

Hence, the Fehr & Peers report demonstrated that Supervisor Norman Yee was correct that this parking problem needs to be solved before the development can proceed.

The importance of parking cannot be overstated. City College students and employees live throughout San Francisco, as well as the surrounding area. According to the Fehr & Peers report, about one-third of CCSF students drive alone to school, and about 2/3 of employees drive alone. (F&P, p. 9) That represents thousands of students and employees who, should they lose parking, will find it difficult, if not impossible, to get to their classes or their jobs.

Exacerbating the impact of lost parking is the fact that public transit will not adequately compensate for this loss. SF MTA has just announced plans to significantly reduce transit for the foreseeable future. And they have stated on several occasions that there are not any firm plans to increase transit to CCSF. There are discussions of plans, but so far these are only tentative, provisional or aspirational. This lack of access to City College could destroy the school. Approval of this project must be held up until this issue is resolved.

Before this Project can be approved the loss of educational access and other issues must be addressed. At this point there is no agreement or MOU between the Developer and City College with respect to anything. An agreement between the Developer and City College must be in place before the project is approved that minimally addresses the following:

1. the college's need for at least 980 parking spaces
2. appropriate placement of the North Access road
3. coordination of construction schedules
4. mitigation of noise, traffic, and air pollution during construction

Additionally, the privatization of precious public land must be quashed. This land currently functions as an integral part of City College's Ocean campus. With the recently approved bond measure of over $800 M, City College could potentially develop the land to maximize the educational value of CCSF.

There are numerous problems impacting City College that cannot be solved with the proposed 1,100 unit development. The best solution is to have all of the Balboa Reservoir serve the interests of the public. That solution is set forth below, in Section III.

III. <u>The Project Should be a 100% Affordable Project</u>

The development at the Balboa Reservoir should meet the City's growing need for affordable, not market rate housing on a portion of the Balboa Reservoir. The remaining portion of the land could continue to be used by City College to meet its needs for student, faculty, and staff access, as well as for any other purpose that serves its needs. While there is a glut of market rate housing, the City is far behind in providing affordable housing, especially for low-income residents.

The Balboa Reservoir site provides an ideal location for a 100% affordable development. A significant barrier to building affordable housing in San Francisco is available land. The public Balboa Reservoir land meets that need while at the same time allowing another portion of the land to meet the needs of City College.

The attached report from Joseph Smooke, an affordable housing expert, details how a 100% affordable development on the Balboa Reservoir public land could be fully funded using various sources, including state grants, City monies, low income housing tax credits, other affordable housing capital subsidies and a bank loan. According to Mr. Smooke, this is a typical leveraging structure that MOHCD expects when it invests in affordable housing.

Mr. Smooke's analysis is that 100% affordable housing is both visionary and financially feasible. Furthermore, the current Project primarily benefits a for-profit developer. The 100% alternative better serves the City and CCSF, and should be adopted.

IV. <u>The Development Agreement is Flawed</u>

As Mr. Smooke sets out in his letter, this Development Agreement is fatally flawed and should not be approved. In addition to the fact that the price of the land and the terms of the Agreement unfairly favor the Developer, what is especially concerning is that this Project creates unacceptable *de facto* segregation and class divide. All, or almost all, of the "affordable" units are rental, not ownership units. And these units will all be built in separate buildings, unconnected to the market rate buildings. This is simply not the "on site inclusionary" housing policy that this City supports. According to Mr. Smooke:

> What is proposed for this site should either be considered as "off site" inclusionary housing which would trigger a 30% requirement, or it should be viewed as a development with what is typically called a "poor door" situation where the upper income market rate residents go in through one door and the residents in the affordable units go in through a separate door. Inclusionary legislation is intentionally crafted to ensure that developers are not able to create these "poor door" conditions.

To make the segregation and class divide issues even worse, the open space at the center of the development is a privately owned public open space (POPOS). The owner and manager of this POPOS is the group of homeowners who live in the ownership units. What people do in the open space and at what hours are determined by the homeowners association for everyone who might live there or visit.

The finances of this deal are also highly problematic, as detailed in Mr. Smooke's analysis. First, the City is selling more than sixteen acres of public land to a private developer at a heavily discounted price of $11.4M, approximately 95% of the market rate. Further, the Development Agreement says that the developer has no obligation to build anything at any time. (Development Agreement, Para. 6). And, finally, the developer would have the ability to sell off any portion of the property, purchased at 5% market price, for whatever the market will pay. This is a great deal for the developer, but a terrible deal for the City.

And adding insult to injury, the "affordable" units do not meet the City's required definition of "affordable" as defined in the City's "inclusionary" program. This project defines "low income" as 60% of AMI which is 5% more expensive than the City's inclusionary definition.

The proposed project also has affordable units for "moderate income" households. And the City's inclusionary program sets "moderate income" rents as being affordable to households earning 80% of AMI, while this project is defining "moderate income" as 100% of AMI, 20% more than the City's requirement.

As Mr. Smooke so clearly concludes:

> The fact that this project has come so far through the approval in this form is beyond comprehension. The scheme of privatization without accountability, the confusing of definitions of what is "affordable" to guarantee higher levels of cash flow for the developer, and the segregation of wealthy and non-wealthy and of owner versus renter all add up to a misuse of public resources and of the public trust. As such my recommendation is to urge the Board of Supervisors to reject this development proposal and commit to a new development proposal that ensures 100% affordable housing is built at the Balboa Reservoir.

V. <u>The Final Subsequent EIR has Many Significant Flaws</u>

The Balboa Reservoir Project not only threatens to do irreparable damage to City College, but its environmental impacts are significant enough to justify a legal challenge to the Certification of the Subsequent Environmental Impact Report (SEIR.) The SEIR understates the project's significant and unavoidable impacts. Several of these significant and unavoidable impacts would adversely affect human health and safety for inhabitants of the area surrounding the project, including impacts on students, bicyclists, and young children. Furthermore, many of the claimed benefits are not supported by substantial evidence in the record.

Some of the key issues in the legal challenge of the SEIR include the following:

- it fails to give an accurate and complete description of the project area and existing conditions;

- it fails to analyze the significant impacts of the Balboa Reservoir Project's construction schedule on the construction and renovation of buildings on the CCSF campus;
- it fails to give stable, accurate, and finite descriptions of the affordable units it promises;
- it fails to fully identify and mitigate significant impacts on noise, air quality, transit delay, pedestrian and bicyclist safety;
- it fails to include feasible alternatives, such as 100% truly affordable housing, and,
- it completely ignores the changed circumstances presented by the COVID-19 Pandemic.

There is no reason to rush through the approval of a Project that would have been highly flawed and suspect even before the deep game-change of the COVID-19 Pandemic and the need to analyze its future effects. The appeal of the SEIR Certification should be approved, and the project should not go forward pending further CEQA review.

VI. <u>Failure to Adequately Collaborate with CCSF and the Community</u>

While some have lauded the fact that there have been years of collaboration with the community, the so-called public outreach and engagement has in fact been little more than one-way directives and co-opting City College's facilities planning processes.

The Community has stated and restated concerns about the project for years at the Balboa Reservoir Community Advisory Committee, even though SF Planning, OEWD, and other City agencies have tightly controlled those meetings. Issues repeated over and over again there do not seem to have had any effect on the process. Here is a link to all of the minutes encompassing nearly five years of meetings: https://sfplanning.org/project/balboa-reservoir-and-community-advisory-committee-cac#meetings

Following is a sample from these minutes that illustrate the failure of the community process to address the concerns of CCSF:

- We must protect City College, City College is the center of the neighborhood and a vital resource for the area—*City College will bear the brunt of the transportation issues that are completely unresolved after five years of discussion.*
- The developer advertises its "collaboration" with City College. SFMTA officers glow about working with the City College "team"—*there is no MOU between the City and City College because the City has been working almost exclusively with City College's paid consultants, not its constituents or Board members.*
- City College has representation on the Balboa Reservoir CAC—the *premier document written by the CAC, the Parameters and Principles, has been ignored in the Development Agreement. Early meetings held between the City and City College staff*

were so secret that even College Trustee Davila, a CAC member, didn't know about them.

- The Community has repeatedly called for a BART shuttle. Surveys show City College constituents could more reliably use BART if there were a shuttle—*Skyline College serves 70,000 with a free BART shuttle costing $300K a year that spans a 7 mile stretch, but the study commissioned by the Reservoir Partners projected costs of more than $1 million a year to run a shuttle up the most congested route in the area.*
- People opposing this project have frequently been referred to as NIMBY—*but 5 years of CAC minutes show that project opposition is not to housing, but to market rate housing built on public land and the destruction of City College.*

Additionally, every single planning document omits the mention of COVID-19 and the changes that have happened and will continue to happen in San Francisco. That reason alone is enough to push pause and reevaluate the challenges that it brings to this project on multiple levels.

- If people who previously didn't drive are now buying cars, what will that do to the amount of parking available to the new residents?
- The promise has been to increase public transportation opportunities (except for providing a BART shuttle) but now Muni's budget has been gutted by the pandemic, this promise, shaky at best, has been obliterated.
- We now have the highest unemployment levels recorded since the Great Depression. When this happens people rely more heaviliy on City College to jumpstart their lives. But how will students get to campus?

VII. <u>Conclusion</u>

Over forty years ago historian and former California State Librarian Kevin Starr, commenting on a housing development on the South Basin of the Balboa Reservoir that would have impacted City College, stated:

> For more than fifty years, City College of San Francisco has been keeping alive the dream of a better life, a better future, for generations of aspiring young San Franciscans. City College of San Francisco is truly a symbol of hope in an embattled, increasingly restrictive and elitist society. You do not have to be born in this country. You do not have to have been a straight A student in high school. All you need is hope and discipline, and City College takes you in and gives you the tools to realize your dream. (Kevin Starr, "Why I am voting no on Prop. L," Election Alert, p. 1, vol. 1, no. 1, May 28, 1988)

We hope that you will consider Mr. Starr’s words, and support a Project that will enable future generations to realize their dreams.

Thank you for your consideration.

Sincerely,

Public Lands for Public Good
Defend City College Alliance

cc: Mayor London Breed
San Francisco Board of Supervisors
City College of San Francisco Board of Trustees
Chancellor Rajen Vurdien

21 July 2020

Public Lands for Public Good
Defend City College Alliance

Re: **Balboa Reservoir Development Proposal**
Legislative Files **200422, 200423, 200635, 200740**

Dear Public Lands for Public Good and Defend City College Alliance:

Please accept this letter of my analysis as to why the Board of Supervisors should reject the Balboa Reservoir Project as proposed when the above referenced legislative files relating to this project come to the Board for a vote. I submit this letter as a professional with years of experience in many different facets of real estate development, primarily as a developer of affordable housing in San Francisco (resume attached).

Introduction

The Balboa Reservoir presents a unique opportunity for the people of this City. It is a large (16.4 acres), publicly owned site (SF Public Utilities Commission), adjacent to the main campus of City College of San Francisco and in close proximity to a major regional transit station. These are more than sixteen acres of blank canvas on which could be built something visionary. Instead the project that has been presented to the Board of Supervisors privatizes our public resources and lines a developer's pockets.

The proposed project describes 1,100 total units of which half (550 units) will be "below market rate" (affordable). What follows is a proposal for a project that would ensure that this public land is developed as 100% affordable housing.

One Hundred Percent Affordable Housing at the Balboa Reservoir

Affordable housing developers typically pay market price for land and then have to pay for their development to tie into existing infrastructure such as water, electricity, sewer, etc. This site has none of the typically available infrastructure to tie into, so building that infrastructure is a cost unique to this development. As we'll see, however, the narrative that these costs are a barrier to 100% affordable housing is false.

A typical affordable housing development budget assumes paying market value for the land. In this case, the PUC is required to sell the land for its full market value, unless the Board of Supervisors passes a resolution saying that the site should be sold for less than the market value in order to achieve a significant public benefit. There is a model for this type of transaction at 1100 Ocean where the MTA (another enterprise department) sold that site to MOHCD at a below market price in order to facilitate 100% affordable housing. This Balboa Reservoir site should follow that same template. This site should be sold to MOHCD for a below market price (as close to zero as possible) so the site stays in public ownership in order to facilitate 100% affordable housing.

Assuming the land is sold at or close to no cost to the affordable housing developer, they still have to deal with the infrastructure costs which are of course much higher than for a typical infill site. Thankfully, there are significant grant sources available from the State that can cover most of those costs. If the only State grant comes from the Infill Infrastructure Grant Program and is limited to $30M, this would cover all but $18M of the cost of the infrastructure which is estimated to be $48M over 3 phases. In order to cover those costs, if the project was 100% affordable housing, and the affordable housing developer paid $18M to cover those infrastructure costs instead of paying for the land, this would still be a bargain at $33,000/ unit for land associated costs (assuming 550 units).

Once the land and infrastructure have been paid for, the remaining financial challenge is to fund the construction of the affordable housing. Based on the Berkson Fiscal Feasibility Report (attached), the affordable housing construction should cost $348,000 per unit. Assuming that there will be some inflation in materials and labor costs, let's use $400,000 per unit for the purpose of this analysis. Since MOHCD typically provides roughly 35% of the total project cost, this would mean roughly $77M coming from MOHCD to pay for their portion of 550 units. At $140,000 per unit, this represents a bargain for the City because of the economy of scale and the low cost for land and infrastructure. If the City is not able to come up with $77M all at once, then the project could be built in 2 phases. This would mean $38.5M of MOHCD funding for each of 2 phases. If that's still too ambitious, it could be split into 3 phases of $25.7M each.

The remainder of the funding for each phase would come from a combination of LIHTC (low income housing tax credits), State grants, and other affordable housing capital subsidies for a total of about 45% of the project cost. The final 20% would come from a bank loan or through the sale of tax exempt bonds (if using LIHTCs from the non-competitive pool). This is a typical leveraging structure that MOHCD expects when it invests in affordable housing.

100% affordable housing is both visionary and financially feasible- using City resources to meet a critical need for the long term viability of our City. Unfortunately, however, the City has chosen to present for approval a scheme for privatizing this site. This is a strategy that benefits the for-profit developer greatly, but creates financial and policy problems for both the City and the people who might live at this proposed development.

The Development Agreement Should Not Be Approved

Under the deal as proposed, the City is not only selling more than sixteen acres of public land to a private developer at a heavily discounted rate ($11.4M), the Development Agreement says that the developer has no obligation to build anything at any time. Not only does the developer have no obligation to develop anything, but they have the ability to sell off any portion of the property. If the developer sells there is no requirement that they sell at a discounted amount. Most likely, if the current developer sells any portion of this development, the new developer would purchase at full market rate and might go back to the City to renegotiate this deal due to the different circumstances.

Rather than the City retaining ownership of the land and making sure that the housing gets built, and that the housing that is built is 100% affordable, under the proposed deal, the City literally gets a guaranty of nothing, while the developer gets a guaranty of future profits- either from the market rate housing they develop, or from selling the properties that have had a step up in market value because of the actions of the Board of Supervisors to enable this deal. The City potentially loses big, but the developer has no risk whatsoever and only stands to profit.

Additional Policy and Financial Concerns

If the developer does decide to proceed with building the housing that is outlined in the proposed project, the result will be a lesser public benefit than you think you are getting, which raises another level of financial and policy related problems.

This development has both rental and ownership components. The obligations for providing the affordable rental units seem fairly clear, On the ownership side, however, the developer has a few different options- one of which is not to provide the affordable units at all, but to pay a fee to the City in lieu of building any affordable ownership units. Therefore, we may get 530 affordable units at this site instead of 550.

Making matters worse, the affordable units don't even seem to meet the definition of "affordable" as defined in the City's "inclusionary" program. The inclusionary program sets "low income" rents as being affordable to households making 55% of AMI. This project is defining "low income" as 60% of AMI which is 5% more expensive. Low income is presented as a range of incomes, but the required average is 60%, not 55% of AMI.

The proposed project also has affordable units for "moderate income" households. The inclusionary program sets "moderate income" rents as being affordable to households earning 80% of AMI. This project is defining "moderate income" as 100% of AMI which is 20% more expensive. Moderate income is presented as a range of incomes, but the average is 100%, not 80% of AMI. Not only are these "low" and "moderate" income units more expensive than what are typically provided by developers providing "inclusionary" or "below market rate" units, but they set a bad policy precedent by redefining - or at least complicating- the definitions of "low income" and "moderate income."

Perhaps most insidious of all is the segregation and class divide that this project creates. Consider that the "affordable" units are all rental while there is a chance that there will be no affordable ownership units. The affordable units that are provided will all be built in buildings that are separate from the market rate units. In a typical market rate development with "inclusionary" units, those inclusionary (affordable) units are distributed throughout the building. They are literally "included" into the market rate development. What is proposed for this site should either be considered as "off site" inclusionary housing which would trigger a 30% requirement, or it should be viewed as a development with what is typically called a "poor door" situation where the upper income market rate residents go in through one door and the residents in the affordable units go in through a separate door. Inclusionary legislation is intentionally crafted to ensure that developers are not able to create these "poor door" conditions.

To make the segregation and class divide issues even worse, the open space at the center of the development is a privately owned public open space (POPOS). The owner and manager of this POPOS is the group of homeowners who live in the ownership units. What people do in the open space and at what hours are determined by the homeowners association for everyone who might live or visit.

For those who might be concerned about a 100% affordable housing development presenting a similar problem of segregation, this would be fallacy. A typical affordable housing development funded with Low Income Housing Tax Credits accommodates a range of residents' incomes. Large scale affordable housing developments are successful under nonprofit management and MOHCD oversight because of the high quality of the housing and the significant resources that are committed. These households like the ones at 1100 Ocean have a range of incomes and live in safe, high quality housing with dignity. Once residents move in, these developments invariably fit right in with the social and aesthetic fabric of the neighborhoods in which they are located.

The fact that this project has come so far through the approval in this form is beyond comprehension. The scheme of privatization without accountability, the confusing of definitions of what is "affordable" to guarantee higher levels of cash flow for the developer, and the segregation of wealthy and non-wealthy and of owner versus renter all add up to a misuse of public resources and of the public trust. As such my recommendation is to urge the Board of Supervisors to reject this development proposal and commit to a new development proposal that ensures 100% affordable housing is built at the Balboa Reservoir.

Sincerely,

Joseph Smooke
Consultant

366 10th Avenue
San Francisco, CA 94118
415-831-9177
josephsmooke@gmail.com

Joseph Smooke

[people. power. media]
Co-Founder, CEO, Producer, Photographer, Videographer
July 2012 to Present
Co-founded this nonprofit media organization that produces video news features and analyses about communities impacting public policy with a focus on housing and land use. Produced a six-part animation, "Priced Out" which has been featured in film festivals in San Francisco, Los Angeles, Chicago and New York City, and in workshops to more than 1,200 people.

Housing Rights Committee of San Francisco
Westside Program Director, 2015 - 2019
Led the expansion of Housing Rights Committee's community organizing and tenant counseling to the Richmond and Sunset Districts.

Supervisor David Campos, District 9
Legislative Aide, 2013, 2014, 2015
Worked three temporary terms of employment as an Aide to Supervisor Campos, focusing primarily on housing and land use issues.

The Philippine Reporter
Photographer and Writer, 2011 - 2014
Worked as staff photographer and writer for this newspaper in Toronto, Canada.

Supervisor Eric Mar, District 1
Legislative Aide, 2011
Staffed Supervisor Mar primarily for his work as Chair of the Land Use Committee.

Bernal Heights Neighborhood Center
Executive Director, 2005 - 2011
Housing Director, 1997 - 2005
Promoted to Executive Director of this multi-service community based nonprofit organization after leading its housing development and asset management work. Led the housing program's growth from small scale developments to being a citywide developer. Created the Small Sites Program and developed the first prototype small sites acquisition project. Also led the organization to become involved in land use planning.

Innovative Housing for Community
Housing Development Project Manager, 1993 - 1996
Developed and managed housing throughout San Francisco, Sonoma, Marin, San Mateo and Santa Clara Counties for this nonprofit provider of affordable, supportive, shared housing. Created the first affordable housing "green building" program in the Bay Area.

Skidmore Owings and Merrill
Job Captain, Architectural Designer
Los Angeles Office, 1988 - 1992
San Francisco Office, 1992 - 1993
Worked on all phases and aspects of large scale commercial and institutional buildings throughout the US and in Taiwan, including the Southern California Gas Company Tower and the Virginia State Library and Archives. Also worked on a large scale urban planning project in Changchun, China.

Awards and Recognitions

Outstanding Community Service, Coalition for San Francisco Neighborhoods, 2017

Dolores St Community Services Open Palm Award for BHNC, 2008

Central American Resource Center (CARECEN), 2007

Bank of America, Neighborhood Excellence Initiative, Local Hero Award, 2004

Education

University of California at Berkeley
Bachelor of Arts in Architecture, High Honors, 1988
Alpha Rho Chi, Departmental Award for Professional Promise

Boards of Directors and Active Affiliations

South of Market Community Action Network (SOMCAN), 2010 - Present
Chair of SOMCAN's Board

San Francisco Antidisplacement Coalition, 2016 - Present

Richmond District Rising, 2017 - Present
Steering Committee and Housing Committee

Westside Tenants Association, 2019 - Present

Community Housing Partnership, 2000 - 2006
Member, Board of Directors

REPORT

BALBOA RESERVOIR PROJECT

FINDINGS OF FISCAL RESPONSIBILITY AND FEASIBILITY

Prepared for the City and County of San Francisco

Prepared by Berkson Associates

February 9, 2018

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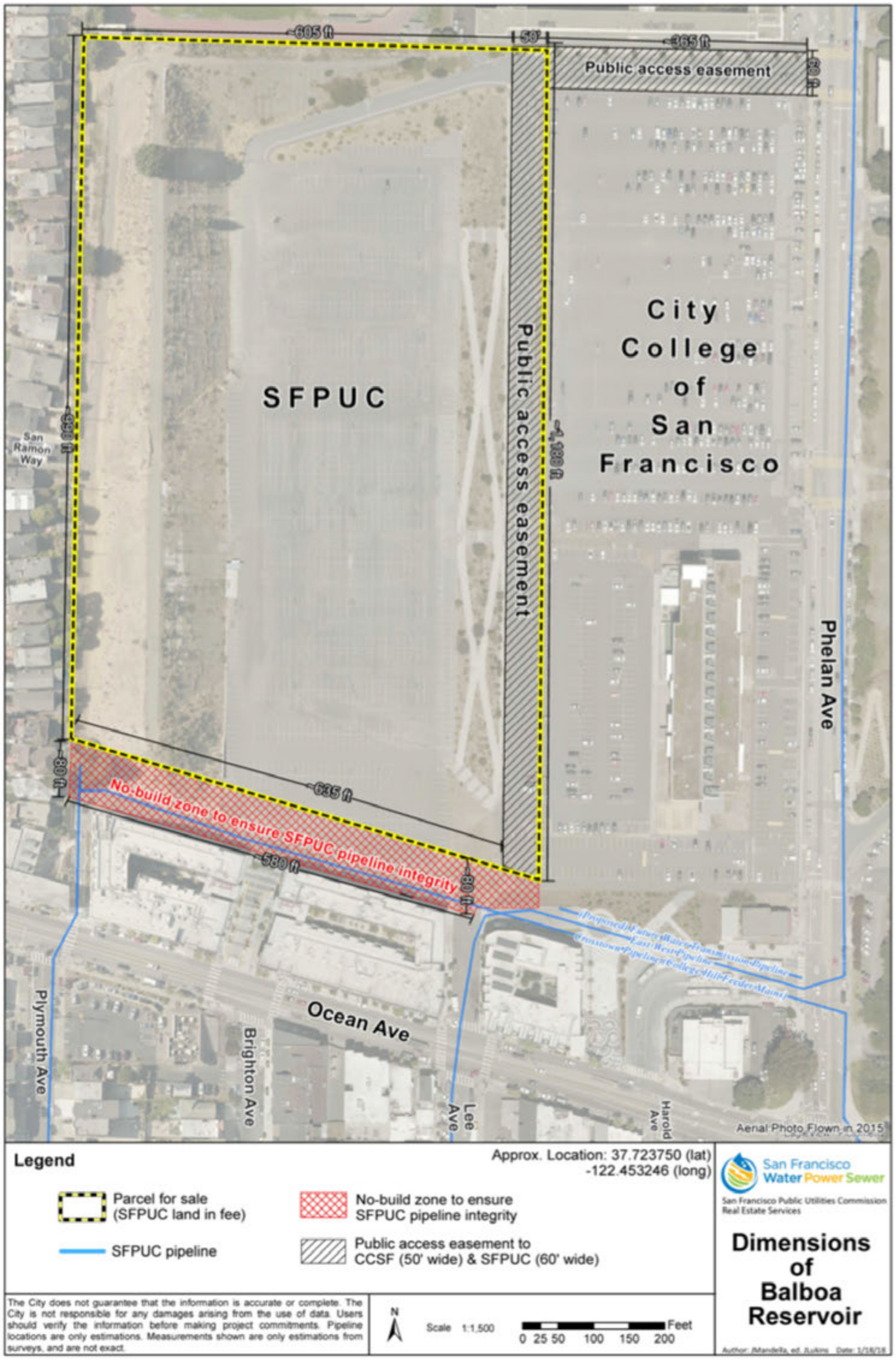
EXECUTIVE SUMMARY

Chapter 29 of the City's Administrative Code requires that the Board of Supervisors make findings of fiscal feasibility for certain development projects before the City's Planning Department may begin California Environmental Quality Act ("CEQA") review of those proposed projects. Chapter 29 requires consideration of five factors: (1) direct and indirect financial benefits of the project, including, to the extent applicable, cost savings and/or new revenues, including tax revenues generated by the proposed project; (2) the cost of construction; (3) available funding for the project; (4) the long term operating and maintenance cost of the project; and (5) debt load to be carried by the City department or agency.

This report provides information for the Board's consideration in evaluating the fiscal feasibility of a proposed development (the "Project") at the 17-acre Balboa Reservoir parcel shown in **Figure 1**. The City and County of San Francisco ("City), under the jurisdiction of the San Francisco Public Utilities Commission ("SFPUC"), owns the parcel ("Site"). The City has entered into exclusive negotiations with a team of developers led by BRIDGE Housing Corporation and AvalonBay Communities (the "Development Team") to create a mixed-income housing project (the "Project") at the Site. The Development Team would purchase the Site and build a mix of apartments, condos and townhouses.

Up to half of the units will be affordable to a range of low, moderate, and middle-income households occupying apartments and the condo units. The first 33 percent of units will be affordable units funded by value created by the Project; the additional affordable units, or up to 17 percent of total units, will be funded by public sources that could potentially include tax credits and other state sources, project-generated sources, future bonds, or the proposed gross receipts tax increase. For the purpose of the current analysis, a scenario consisting of 1,100 units, consistent with the Development Team's initial proposal, is evaluated; it is anticipated that subsequent environmental analysis will consider a range of alternatives.

Figure 1 Balboa Reservoir Project Areas



All dollar amounts are expressed in terms of 2017 purchasing power, unless otherwise noted. Information and assumptions are based on data available as of February 2018. Actual numbers may change depending on Project implementation and future economic and fiscal conditions.

FISCAL BENEFITS

The proposed Balboa Reservoir Project, if approved, will create approximately $4 million in new, annual ongoing general tax revenues to the City. After deducting required baseline allocations, and preliminary estimates of direct service costs described in **Chapter 3**, the Project as proposed will generate about $1.7 million annually to the City, in addition to about $1 million in other dedicated and restricted revenues. The fiscal results are largely proportional to the number of units, assuming the mix of affordable units remains constant. A reduction in the number of units would reduce the magnitude of the potential benefits, but the net impact on the City General Fund would remain positive.

The Project will generate an additional $400,000 annually to various other City funds (children's' fund, libraries, open space), and $600,000 annually to other restricted uses including SFMTA (parking taxes), public safety (sales taxes), and San Francisco Transportation Authority (sales taxes).

Additional one-time general revenues, including construction-related sales tax and construction gross receipts tax, total $3.3 million.

Based on standard fee rates, development impact fees total an estimated $23 million, although the City may agree to credit some of these fees back to the Project in consideration of public-serving improvements that the Project provides in kind. In addition, certain development fees, including childcare fees and bicycle facility in-lieu fees, could be offset by facilities constructed onsite, according to the City's standard impact fee policy. No affordable housing or jobs housing linkage fees are assumed due to the provision of affordable housing onsite.

The new general revenues will fund direct services needed by the Project, including police and fire/EMS services, and maintenance of roads dedicated to the City. Other services, including maintenance and security of parks and open space, will be funded directly by tenants of the Project. The estimated $1.7 million in net City general revenues, after deducting service costs and Charter-mandated baseline allocations of general revenues, will be available to the City to fund improved or expanded Citywide infrastructure, services and affordable housing. **Chapter 3** further describes fiscal revenue and expenditure estimates.

ECONOMIC BENEFITS

The Project will provide a range of direct and indirect economic benefits to the City. These benefits include a range of economic benefits such as new jobs, economic activity, and increased public and private expenditures as described in **Chapter 5** and summarized below:

- Over $560 million of construction activity and approximately 2,800 construction-related job-years during development, in addition to indirect and induced jobs.
- Approximately 1,100 new residential units, including up to 550 permanently affordable units. This housing is critical to economic growth in San Francisco and the region.

The Project will also create a small number of permanent non-construction jobs onsite related to parking facilities, landscape maintenance, and various services associated with the residential units.

DIRECT FINANCIAL BENEFITS TO THE SFPUC

The SFPUC, which has exclusive jurisdiction over the Site, will benefit financially from the sale of the Site. The land sale price will be negotiated to reflect the final development and public benefits program. The SFPUC may also realize increased revenues by providing power to the Project's residents.

NEW PUBLIC FACILITIES

The Project will construct parks and open spaces available to the general public. The Project also includes a childcare center that will be accessible by the public as well as the Project's residents.

OTHER BENEFITS

The Project may fall within the Ocean Avenue Community Benefits District (CBD), which assesses property owners to provide funding for a range of services within the neighborhood, including maintenance and cleaning of public rights of way, sidewalk operations and public safety, and District identity and streetscape improvements. Parcels within the CBD pay for and receive these services as participants in the CBD. The CBD’s applicability and associated tax rate will be determined prior to project approvals.

1. THE PROJECT & COSTS OF CONSTRUCTION

The Project will be constructed in two phases with Site preparation and construction planned to begin as early as 2021, Phase 1 units leased and sold as early as 2023, and Phase 2 units leased and sold by 2025, according to current plans. The Project and its development costs total at least $560 million, as described below. The Development Team will be responsible for planning, construction, marketing and operating the Project. The Development Team will reimburse the City for its costs incurred during the Project planning and environmental review process, including City staff costs. **Chapter 2** describes sources of funding to pay for development costs.

PROJECT DESCRIPTION

The Balboa Reservoir Site is an approximately 17-acre parcel that the City owns under the SFPUC's jurisdiction. The Site is located in the central southern portion of San Francisco, bounded by City College of San Francisco's Ocean Campus to the east, Riordan High School to the north, the Westwood Park neighborhood to the west, and the Avalon Ocean Avenue apartments to the south.

Plans for the Site's development envision a mixed-income housing Project. The Development Team would purchase the Site and build a mix of apartments, condos and townhouses.

Residential – This fiscal analysis assumes a scenario consisting of 1,100 total residential units. This scenario is based on the Development Team's response to the SFPUC Request for Proposals; environmental analysis will evaluate a range of units that may differ from the scenario in this report, and the Project's final unit count may also differ accordingly.

Affordable Housing – The Project proposes 50 percent of total units to be affordable, including 18 percent affordable to low-income households,[1] and 15 percent affordable to moderate-income households[2], for a subtotal of 33 percent affordable housing units. An additional 17 percent of units are proposed to be affordable to a combination of low, moderate, and middle-income households.

Parking – The fiscal analysis evaluates 1,010 parking spaces. Of the total spaces, 500 will be constructed in a parking garage and shared with the City College community.

1 Low-income rents would not exceed 55% of Area Median Income (AMI), and low-income for-sale prices would not exceed 80% of AMI.

2 Moderate-income rents and sales prices would not exceed 120% of AMI.

CONSTRUCTION COSTS AND ASSESSED VALUE

Table 1 summarizes development costs totaling at least $560 million,[3] which will be phased through buildout by 2025 depending on future market conditions. Taxable assessed value is estimated based on development cost, with affordable rental housing exempted from property taxes if serving households who earn no more than 80% of AMI . These costs and values provide the basis for estimates of various fiscal tax revenues and economic impacts.

Table 1 Summary of Construction Costs and Assessed Value

Item	Development Cost
Residential Buildings (1)	
Townhouses (Market-rate)	$60,598,000
Condos (Affordable)	$15,360,000
Apartments (Market-rate)	$169,412,000
Apartments (Moderate)	$87,818,000
Apartments (Low-income)	$88,031,000
Subtotal, Residential Buildings	$421,219,000
Other	
Parking - shared (500 spaces)	$13,830,000
Infrastructure (2)	$38,000,000
Other Costs (3)	$86,787,000
Total	**$559,836,000**
(less) Property Tax-Exempt	
Low-income Rental Units (up to 80% AMI)	($88,031,000)
Net Taxable Assessed Value	**$471,805,000**

(1) Inc udes bu d ng hard costs, res dent a park ng, and s te deve opment. S te acqu s t on and commun ty benef ts are to be negot ated and are not nc uded.
(2) Master nfrastructure nc udes ut t es, roads, grad ng, parks and open space.
(3) "Other Costs" nc ude soft costs (eg ega , des gn, f nance, furn sh ngs and f xtures). Perm ts & Fees not nc uded for purposes of A.V. est mates. *2/9/18*

[3] Hard and soft development costs; land costs, community benefits and other mitigations are to be negotiated and are not estimated.

2. AVAILABLE FUNDING FOR THE PROJECT

As described in the prior chapter, development costs are anticipated to total $560 million or more over the course of Project buildout. Several financing mechanisms and sources will assure funding of these costs and development of the Project.

HORIZONTAL & VERTICAL DEVELOPMENT OF THE SITE

The Development Team will be responsible for funding all horizontal Site improvements, infrastructure and public facilities needed to serve the Project, and vertical building construction with the exception of a portion of the affordable housing, as described in the section that follows. In addition to Developer equity and private financing, Project-based sources of funding and/or reimbursement could include (but may not be not limited to) the following:

- **Net sales proceeds and lease revenues** -- Revenues generated by the Project will help to fund improvements and repay private sources of investment and debt.
- **Mello-Roos Community Facilities District (CFD)** -- Bond proceeds secured by CFD special taxes may help to fund infrastructure costs. CFD special taxes not required for CFD debt service may fund horizontal Site development costs on a "pay-as-you-go" basis.
- **State sources –** No direct City subsidy will be used to build the 33% of the Project's total housing units that must paid for by the Project. However, the Developer may access non-competitive state funding such as 4% tax credits and tax-exempt bonds

FUNDING OF AFFORDABLE HOUSING

As described above, 33% of the Project's total housing units will be affordable housing paid for by the Project, such as with Developer equity or revenues generated by the market-rate portion of the Project, or non-competitive state sources. This baseline 33% rate is based on Proposition K (2015), which set the expectation that housing on property sold by the City will have no less than this amount of affordable housing.

Up to an additional 17% of the Project's total housing units will be affordable housing paid for with non-Project funds. The Development Team's initial proposal estimated that a subsidy of approximately $26 million would be required to provide approximately 187 additional affordable housing units, although this cost is subject to change as a result of changes in construction costs, availability of state funding, the low income housing tax credit market, and the Project's unit count or affordable housing program.

Funding sources for this additional affordable housing could potentially include:

- **Gross Receipts Tax.** In June, 2018, San Francisco voters will consider a ballot measure that would raise funds for affordable housing by increasing the gross receipts tax rate for commercial space. If this measure is approved, the Project would be eligible to utilize a portion of the new affordable housing funds.
- **Project-Generated Sources.** As determined by fiscal feasibility analysis, the Project will generate net new General Fund revenue of approximately $1.7 million. A portion of this revenue could be reinvested back into the Project; the mechanism for this reinvestment could be an infrastructure financing district, an affordable housing investment plan pursuant to AB 1598, or a direct transfer from the City.
- **State Sources.** The Project could apply for one of several funding sources administered at the state level, such as the California's Affordable Housing and Sustainable Communities program and certain low income housing tax credit programs.
- **Bond Revenue.** In November, 2018, California voters will consider a $4 billion state affordable housing bond. In addition, local affordable housing bonds are likely to be proposed in San Francisco in upcoming years; most recently, in 2015, San Francisco voters approved a $310 million affordable housing bond.

OTHER MAINTENANCE FUNDING

In addition to the public tax revenues generated to fund public services and road maintenance, as described in the **Chapter 3** fiscal analysis, CFD special taxes (or HOA fees) will be paid by property owners to fund a range of public services including onsite parks and open space maintenance and operation.

3. FISCAL ANALYSIS: INFRASTRUCTURE MAINTENANCE & PUBLIC SERVICES

Development of the Project will create new public infrastructure including streets, parks and open space that will require ongoing maintenance. **Table 2** summarizes total annual general revenues created by the Project, and net revenues available after funding the Project's service costs. The fiscal results are largely proportional to the number of units, assuming the mix of affordable units remains constant. A reduction in the number of units would reduce the magnitude of the potential benefits and an increase in the number of units would increase their magnitude, but in either case the net impact on the City General Fund would remain positive.

Table 2 Estimated Annual Net General Revenues and Expenditures

Item	Annual Amount
Annual General Revenue	
Property Taxes (1)	$2,682,000
Property Tax n L eu of VLF	$567,000
Property Transfer Tax	391,000
Sa es Tax	261,000
Park ng Tax (C ty 20% share)	95,000
Gross Rece pts Tax	63,000
Subtotal, General Revenue	**$4,059,000**
(ess) 20% Charter Mandated Base ne	($811,800)
Revenues to General Fund above Baseline	**$3,247,200**
Public Services Expenditures	
Parks and Open Space	*Project's taxes or fees*
Roads (ma ntenance, street c ean ng)	76,000
Po ce (2)	855,000
F re (2)	607,000
Subtotal, Services	**$1,538,000**
NET Annual General Revenues	**$1,709,200**
Annual Other Dedicated and Restricted Revenue	
Property Tax to Other SF Funds (1)	$413,000
Park ng Tax (MTA 80% share)	$380,000
Pub c Safety Sa es Tax	$130,000
SF Cnty Transportat on Auth'y Sa es Tax	$130,000
Subtotal	**$1,053,000**
TOTAL, Net General + Other SF Revenues	**$2,762,200**
Other Revenues	
Property Tax to State Educat on Rev. Fund (ERAF)	**$1,195,000**

(1) Property tax to Genera Fund at 57%. Other SF funds nc ude the Ch drens' Fund, L brary Fund, and Open Space Acqu s t on.
(2) Po ce and F re costs based on C tyw de avg. cost per res dent and per job.
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As noted in the prior **Table 2**, certain service costs will be funded through special taxes or assessments paid by new development and managed by a master homeowners association (HOA). Other required public services, including additional police, fire and emergency medical services (EMS), as well as the maintenance of any new roads that are built by the Project and transferred to the City, will be funded by increased General Fund revenues from new development. MUNI/transportation services may also be affected and will be offset by a combination of service charges, local, regional and State funds.

Table 3 summarizes development impact fees and other one-time revenues during construction. The impact fee revenue will be dedicated and legally required to fund infrastructure and facilities targeted by each respective fee. Credits may be provided against certain fees to the extent that the Project builds qualifying infrastructure and public facilities onsite, for example, bicycle parking and childcare facilities. The City may also agree to credit some of these fees back to the Project in consideration of public-serving improvements that the Project provides in kind. Certain impact fee revenues may be used Citywide to address needs created by new development. No affordable housing in-lieu fees or jobs housing linkage fees are assumed due to the Project providing affordable units equal to 50 percent of total units.

Table 3 Estimated Impact Fees and One-Time Revenues

Item	Total Amount
City Development Impact Fees (1)	
Ba boa Park Commun ty Infrastructure	$9,371,000
Jobs Hous ng L nkage (2)	na
Affordab e Hous ng (3)	prov ded ons te
Ch d Care (4)	$2,308,000
B cyc e Park ng In- eu	prov ded ons te
Transportat on Susta nab ty Fee	$11,315,000
	$22,994,000
Other Fees	
San Franc sco Un f ed Schoo D str ct	**$3,957,000**
Other One-Time Revenues	
Construct on Sa es Tax (1% Gen' Fund)	$1,419,000
Gross Rece pts Tax Dur ng Construct on	$1,892,000
Tota : Other One-T me Revenues	**$3,311,000**

(1) Impact fee rates as of Jan. 1, 2018. Refer to Tab e A 3 for add t ona deta .
(2) L nkage fee (commerc a uses on y) assumed offset by Project's affordab e hous ng.
(3) Affordab e hous ng w be prov ded on s te.
(4) Ch d Care mpact fee may be wa ved n cons derat on for the Project's on s te ch dcare center.

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MAINTENANCE AND SERVICE COSTS

Actual costs will depend on the level of future service demands, and Citywide needs by City departments at the time of development and occupancy.

Public Open Space

The Project will include at least 4.0 acres of public parks and open spaces. The parks consist of a large open space of approximately 2 acres, and at least 1.5 acres, along with "gateway" green spaces to serve as gathering places that unite the Site with the surrounding neighborhoods.

The Recreation and Parks Department (RPD) may express interest in assuming ownership and/or operations and maintenance responsibilities for the proposed large open space, subject to agreement between the Project developer and the City. The developer may engage in discussions with RPD about potentially entering into such an arrangement as part of the Development Agreement. However, absent such an arrangement, the Project will fund the parks and open spaces' ongoing operating costs, including administration, maintenance, and utility costs using CFD services special taxes (or HOA fees) paid by property owners. A master homeowners association would be responsible for managing maintenance activities, as well as the programming of recreation activities not otherwise provided by the City. Specific service needs and costs will be determined based on the programming of the parks.

Police

The Project Site is served by the SFPD's Ingleside Station. The addition of the Project's new residents would likely lead the Ingleside Police District to request additional staffing. Over the past several decades, the SFPD has kept staffing levels fairly constant and manages changing service needs within individual districts by re-allocating existing capacity. If needed to serve new residents associated with the Project, additional officers would most likely be reassigned from other SFPD districts and/or hired to fill vacancies created by retirements.[4] [5] For purposes of this analysis, the Project's police service cost is estimated using the City's current per capita service rate.

Fire and EMS

The San Francisco Fire Department (SFFD) deploys services from the closest station with available resources, supplemented by additional resources based on the nature of the call. SFFD

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[4] Carolyn Welch, San Francisco Police Department, telephone interview, December 22, 2017.

[5] Jack Hart, San Francisco Police Department, telephone interview, January 3, 2017.

anticipates that it will require additional resources to serve the Site and its vicinity as that area's population grows, but it has not yet determined the anticipated costs.[6] The costs in this report have been estimated based on Citywide averages.

SFMTA

Using the City's Transportation Demand Management (TDM) Ordinance as a guide, the Project will include a TDM program that encourages the use of sustainable modes of transportation for residents and visitors. This approach will increase demand for and revenues to local public transit service, which includes the J, K, and M MUNI light rail lines and the 8, 29, 43, 49, and 88X bus lines. The Project will also be required to pay the Transportation Sustainability Fee and/or provide equivalent in-kind transportation benefits, as well as provide transportation mitigation measures required as a result of the environmental review process. Specific impacts on transit services, costs, and cost recovery will be studied and determined by the final development program, TDM plan, and environmental review findings.

Department of Public Works (DPW)

The Project will create new rights of way to provide access into and out of the Site and circulation within it. These improvements may be accepted by the City, provided that they are designed to standards approved by applicable City agencies, in which case DPW would be responsible for cleaning and maintaining them. Based on the anticipated type and intensity of these proposed rights of way, DPW is estimating annual maintenance costs[7]. For purposes of the current analysis, a Citywide average cost per mile of road provides an estimated cost.

The Project may also include some smaller roads and access points that would remain private, in which case the City would not be responsible for their ongoing operation and maintenance. Instead, special taxes paid by owners of Project buildings, for example as participants in a services CFD, could fund their maintenance. The services budget would be sized to pay for ongoing maintenance of facilities as well as periodic "life cycle" costs for repair and replacement of facilities.

[6] Olivia Scanlon, San Francisco Fire Department, telephone interview, February 8, 2018.
[7] Bruce Robertson, Department of Public Works, correspondence with City Project staff.

PUBLIC REVENUES

New tax revenues from the Project will include ongoing annual revenues and one-time revenues, as summarized in the prior tables. The revenues represent direct, incremental benefits of the Project. These tax revenues will help fund public improvements and services within the Project and Citywide. The following sections describe key assumptions and methodologies employed to estimate each revenue.

Charter Mandated Baseline Requirements

The City Charter requires that a certain share of various General Fund revenues be allocated to specific programs. An estimated 20 percent of revenue is shown deducted from General Fund discretionary revenues generated by the Project (in addition to the share of parking revenues dedicated to MTA, shown separately). While these baseline amounts are shown as a deduction, they represent an increase in revenue as a result of the Project to various City programs whose costs aren't necessarily directly affected by the Project, resulting in a benefit to these services.

Property Taxes

Property tax at a rate of 1 percent of value will be collected from the land and improvements constructed by the Project.[8] The City receives up to $0.65 in its General Fund and special fund allocations, of every property or possessory interest tax dollar collected. The State's Education Revenue Augmentation Fund (ERAF) receives $0.25 of every property tax dollar collected.

The remaining $0.10 of every property tax dollar collected, beyond the City's $0.65 share and the $0.25 State ERAF share, is distributed directly to other local taxing entities, including the San Francisco Unified School District, City College of San Francisco, the Bay Area Rapid Transit District and the San Francisco Bay Area Air Quality Management District. These distributions will continue and will increase as a result of the Project.

Upon the sale of a parcel, building, or individual unit constructed at the Project, the taxable value will be assessed at the new transaction price. The County Assessor will determine the assessed values; the estimates shown in this analysis are preliminary and may change depending on future economic conditions and the exact type, amount and future value of development.

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[8] Ad valorem property taxes supporting general obligation bond debt in excess of this 1 percent amount and other assessments are excluded for purposes of this analysis. Such taxes require separate voter approval and proceeds are payable only for uses approved by the voters.

Certain properties, including non-profits providing low-income rental housing, are exempt from property tax.

It is likely that property taxes will also accrue during construction of infrastructure and individual buildings, depending on the timing of assessment and tax levy. These revenues have not been estimated.

Property Tax In-Lieu of Vehicle License Fees
In prior years, the State budget converted a significant portion of Motor Vehicle License Fee (VLF) subventions into property tax distributions; previously theses revenues were distributed by the State using a per-capita formula. Under the current formula, these distributions increase over time based on assessed value growth within a jurisdiction. Thus, these City revenues will increase proportionate to the increase in the assessed value added by the new development.

Sales Taxes
The City General Fund receives 1 percent of taxable sales. New residents will generate taxable sales to the City. In addition to the 1 percent sales tax received by every city and county in California, voter-approved local taxes dedicated to transportation purposes are collected. Two special districts, the San Francisco County Transportation Authority and the San Francisco Public Financing Authority (related to San Francisco Unified School District) also receive a portion of sales taxes (0.50 and 0.25 percent, respectively) in addition to the 1 percent local General Fund portion. The City also receives revenues from the State based on sales tax for the purpose of funding public safety-related expenditures.

Sales Taxes from Construction
During the construction phases of the Project, one-time revenues will be generated by sales taxes on construction materials and fixtures purchased in San Francisco. Sales tax will be allocated directly to the City and County of San Francisco in the same manner as described in the prior paragraph. Construction sales tax revenues may depend on the City's collection of revenues pursuant to a sub-permit issued by the State.

Transient Occupancy Tax (TOT)
Hotel Room Tax (also known as Transient Occupancy Tax or TOT) will be generated when hotel occupancies are enhanced by the residential uses envisioned for the Project, such as when friends and relatives come to San Francisco to visit Project residents but choose to stay at hotels. The City currently collects a 14 percent tax on room charges. However, given that no hotels are envisioned for the Project (out-of-town visitors to the Site will likely stay at hotels elsewhere in the City), the impact will not be direct and is excluded from this analysis.

Parking Tax
The City collects tax on parking charges at garages, lots, and parking spaces open to the public or dedicated to commercial users. The tax is 25 percent of the pre-tax parking charge. The revenue may be deposited to the General Fund and used for any purpose, however as a matter of City policy the SFMTA retains 80 percent of the parking tax revenue; the other 20 percent is available to the General Fund for allocation to special programs or purposes. This analysis assumes that parking spaces envisioned for the Project's 500-space shared parking garage will generate parking tax; no parking tax is assumed from the residential-only parking spaces. Off-site parking tax revenues that may be generated by visitors or new residents are not included.

Property Transfer Tax
The City collects a property transfer tax ranging from $2.50 on the first $500 of transferred value on transactions up to $250,000 to $15.00 per $500 on transactions greater than $25 million.

The fiscal analysis assumes that commercial apartment property sells once every ten to twenty years, or an average of about once every 15 years. For estimating purposes, it is assumed that sales are spread evenly over every year, although it is more likely that sales will be sporadic. An average tax rate has been applied to the average sales transactions to estimate the potential annual transfer tax to the City. Actual amounts will vary depending on economic factors and the applicability of the tax to specific transactions.

The for-sale units can re-sell independently of one another at a rate more frequent than rental buildings. This analysis conservatively assumes that the average condominium or townhouse will be sold to a new owner every ten years, on average.

Gross Receipts Tax
Commercial activity, including residential rental property, generates gross receipts taxes. Actual revenues from future gross receipt taxes will depend on a range of variables, including the amount of rental income. This analysis assumes the current gross receipts tax rate of 0.3% (applicable to revenues in the $2.5 million to $25 million range).

DEVELOPMENT IMPACT FEES

The Project will generate a number of one-time City impact fees including:

- **Balboa Park Community Infrastructure** (Planning Code Sec. 422) -- These fees "shall be used to design, engineer, acquire, improve, and develop pedestrian and streetscape improvements, bicycle infrastructure, transit, parks, plazas and open space, as defined in the

Balboa Park Community Improvements Program with the Plan Area. Funds may be used for childcare facilities that are not publicly owned or "publicly-accessible."[9]

- **Jobs Housing Linkage** (Planning Code Sec. 413)-- These fees apply only to commercial uses and are assumed to be offset by the affordable housing provided onsite.
- **Affordable Housing** (Planning Code Sec. 415) –All affordable housing will be provided on the Site, and therefore the Project will be exempt from the fees.
- **Child Care** (Planning Code Sec. 414, 414A) – A fee per square foot is charged to residential uses. It is likely that all or some portion of these fees will be offset and reduced by the value of childcare facilities constructed onsite.
- **Bicycle Parking In-lieu Fee** (Planning Code Sec. 430) -- This fee is assumed to be offset by facilities provided onsite.
- **Transit Sustainability Fee (TSF)** (Planning Code Sec. 411A) – This fee, effective December 25, 2015, replaced the Transit Impact Development Fee. It is a fee per square foot paid by residential and non-residential uses.

In addition to the impact fees charged by the City, utility connection and capacity charges will be collected based on utility consumption and other factors. Other fees will include school impact fees to be paid to the San Francisco Unified School District. The Project will also pay various permit and inspection fees to cover City costs typically associated with new development projects.

[9] San Francisco Planning Code, Article 4, Sec. 422.5(b)(1) Balboa Park Community Improvements Fund, Use of Funds.

4. DEBT LOAD TO BE CARRIED BY THE CITY AND THE SFPUC

No debt is anticipated to be incurred by the City or the SFPUC in connection with the Project. However, public financing or other non-Project sources will be required to achieve the target affordable housing rate of 50%, as described above. The City could potentially issue bonds in conjunction with several of these sources, subject to regulatory and/or voter approval, but a number of other financing options would allow the City to avoid issuing new debt.

5. BENEFITS TO THE CITY AND SFPUC

The Project will provide a range of direct and indirect benefits to the City and the SFPUC. These benefits include tax revenues that exceed service costs, as well as a range of other economic benefits such as new jobs, economic activity, and increased public and private expenditures.

FISCAL BENEFITS

As described in **Chapter 3**, the Project is anticipated to generate a net $1.7 million of annual general City tax revenues in excess of its estimated public service costs, in addition to about $1 million in other dedicated and restricted revenues. These revenues would be available for expansion of local and/or Citywide services and public facilities. Approximately 20 percent of revenues are allocated to "Baseline" costs, which represents a benefit to the City.

ECONOMIC BENEFITS TO THE CITY

New Permanent Jobs - The Project will create a small number of new jobs related to the parking facilities and services, childcare services at the childcare center, and landscape and other onsite maintenance services. The residential uses will also create janitorial and domestic service jobs. Because the Project is entirely residential, its economic "multiplier" effects are minimal.

Temporary Jobs - The construction of the Project will create short-term construction spending and construction jobs, estimated at 2,800 job-years.

New Housing Supply - Completion of approximately 1,100 residential units also will have the positive economic benefit of adding a significant amount to the City's total supply of housing. This provides increased access to housing for existing City residents, as well employees working within the City. Importantly, these approximately 1,100 units will include up to 550 units of affordable to low, moderate, and middle-income households, which are populations with acute housing needs in San Francisco.

DIRECT FINANCIAL BENEFITS TO THE CITY AND SFPUC

The Project will result in several direct financial benefits:

Proceeds from Property Sale -- The sale of the property currently owned by the City will generate net proceeds. The SFPUC will receive fair market value for the sale of the property.

Increased Sale of Public Power -- The SFPUC may provide electrical power to the Project's residents, generating net revenues to the SFPUC.

NEW PUBLIC FACILITIES

The Project will construct parks and open spaces, a shared parking garage, and a community room available to the general public. The Project also includes a childcare center that will be accessible by the public as well as the Project's residents. These facilities are expected to be utilized by the City College community and residents of surrounding neighborhoods.

OTHER BENEFITS

The Project may participate in the Ocean Avenue Community Benefits District (CBD) that provides funding for a range of services within the neighborhood, including maintenance and cleaning of public rights of way, sidewalk operations and public safety, and District identity and streetscape improvements. The CBD's applicability and associated tax rate will be determined prior to project approvals.

APPENDIX A: FISCAL ANALYSIS

Table of Contents
Balboa Reservoir

Table 1
Fiscal Results Summary, Ongoing Revenues and Expenditures
Balboa Reservoir

Item	Annual Amount
Annual General Revenue	
Property Taxes (1)	$2,682,000
Property Tax n L eu of VLF	$567,000
Property Transfer Tax	391,000
Sa es Tax	261,000
Park ng Tax (C ty 20% share)	95,000
Gross Rece pts Tax	63,000
Subtotal, General Revenue	**$4,059,000**
(ess) 20% Charter Mandated Base ne	($811,800)
Revenues to General Fund above Baseline	**$3,247,200**
Public Services Expenditures	
Parks and Open Space	*Project's taxes or fees*
Roads (ma ntenance, street c ean ng)	76,000
Po ce (2)	855,000
F re (2)	607,000
Subtotal, Services	**$1,538,000**
NET Annual General Revenues	**$1,709,200**
Annual Other Dedicated and Restricted Revenue	
Property Tax to Other SF Funds (1)	$413,000
Park ng Tax (MTA 80% share)	$380,000
Pub c Safety Sa es Tax	$130,000
SF Cnty Transportat on Auth'y Sa es Tax	$130,000
Subtotal	**$1,053,000**
TOTAL, Net General + Other SF Revenues	**$2,762,200**
Other Revenues	
Property Tax to State Educat on Rev. Fund (ERAF)	**$1,195,000**

(1) Property tax to Genera Fund at 57%. Other SF funds nc ude the Ch drens' Fund, L brary Fund, and Open Space Acqu s t on.
(2) Po ce and F re costs based on C tyw de avg. cost per res dent and per job.

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Table 2
Fiscal Results Summary, One-Time Revenues
Balboa Reservoir

Item	Total Amount
<u>City Development Impact Fees (1)</u>	
Ba boa Park Commun ty Infrastructure	$9,371,000
Jobs Hous ng L nkage (2)	na
Affordab e Hous ng (3)	prov ded ons te
Ch d Care (4)	$2,308,000
B cyc e Park ng In eu	prov ded ons te
Transportat on Susta nab ty Fee	<u>$11,315,000</u>
	$22,994,000
<u>Other Fees</u>	
San Franc sco Un f ed Schoo D str ct	**$3,957,000**
<u>Other One-Time Revenues</u>	
Construct on Sa es Tax (1% Gen' Fund)	$1,419,000
Gross Rece pts Tax Dur ng Construct on	<u>$1,892,000</u>
Tota : Other One T me Revenues	**$3,311,000**

(1) mpact fee rates as of Jan 1 2018 Refer to Table A-3 for additional detail
(2) Linkage fee (commercial uses only) assumed offset by Project's affordable housing
(3) Affordable housing will be provided on site
(4) Child Care impact fee may be waived in consideration for the Project's on-site childcare center

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Table A-1a
Project Description Summary
Balboa Reservoir

Item (1)		Units, Sq.Ft., or Spaces	
Apartments			
Market Rate		483	un ts
Affordab e		502	un ts
Tota , Apts		985	un ts
Condos and Townhouses			
Market Rate Townhouses		67	un ts
Affordab e Condos		48	un ts
Tota , Condos and Townhouses		115	un ts
Tota , Res dent a			un ts
Market Rate	50%	550	un ts
Affordab e	50%	550	un ts
		1,100	un ts
Commun ty Gather ng Space		1,500	sq.ft.
Ch dcare Center (capac ty for 100 ch dren)		5,000	sq.ft.
Shared Garage		500	spaces
		175,000	sq.ft.

(1) Number of un ts and space are pre m nary and for eva uat on purposes on y.
Further ana ys s may cons der d fferent deve opment program scenar os.

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Table A-1b
Project Description Summary -- Affordable Units
Balboa Reservoir

Housing Category	**% of Total**	**Units (1)**
Base ne Affordab e Apts.		
Low-Income (Br dge/M ss on <55% AMI)	16%	174
Moderate-Income (Br dge <120% AMI)	15%	165
Tota Base ne Affordab e		339
Base ne Affordab e Condos		
Low-Income (Hab tat <80% AMI)	2%	24
Total Baseline Affordable	**33%**	**363**
Add t ona Affordab e Apts.		
Low-Income (Br dge <20% & <55% AMI)	15%	163
Add t ona Affordab e Condos		
Moderate-Income (Hab tat <105% AMI)	2%	24
Total Additional Affordable	**17%**	**187**
Total Affordable	**50%**	**550**
Market-Rate Apts		483
Market-Rate Townhouses		67
Tota , Market Rate	**50%**	**550**
TOTAL UNITS	**100%**	**1,100**

(1) Number of un ts and space are pre m nary and for eva uat on purposes on y;
Further ana ys s may cons der d fferent deve opment program scenar os.

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Table A-2
Population and Employment
Balboa Reservoir

Item	Assumptions		Total
Popu at on	2.27	persons per un t (1)	2,497
Emp oyment (FTEs)			
Res dent a (2)	27.9	un ts per FTE (2)	39
Park ng	270	spaces per FTE (2)	2
Tota			41
Construct on (job years) (5)	$559,836,000	Construct on cost	2,754
TOTAL SERVICE POPULATION			
Res dents			2,497
Emp oyees (exc ud ng construct on jobs)			41
Tota Serv ce Popu at on (Res dents p us Emp oyees)			2,538
CITYWIDE			
Res dents (3)			874,200
Emp oyees (4)			710,300
Serv ce Popu at on (Res dents p us Emp oyees)			1,584,500

(1) ABAG 2015 estimate (citywide) actual Project density will vary depending on unit size and mix
(2) Residential jobs include building management janitorial cleaning/repair childcare and other domestic services Factors based on comparable projects
(3) Cal Dept of Finance Rpt E-1 2017
(4) BLS QCEW State and County Map 2016Q3
(5) Construction job-years based on MPLAN job factors

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Table A-3
San Francisco City Development Impact Fee Estimate
Balboa Reservoir

Item			**Total Sq.Ft. (1)**	**Total Fees**
Res dent a	**Units**			
Market Rate	550		605,000	
Moderate Income	189		189,000	
Low Income	361		342,950	
Total	1,100		1,136,950	
Other				
Ch dcare Fac ty	approx mate y		5,000	
Shared Park ng (2)			175,000	
City Impact Fees (per gross bu d ng sq.ft.) (2)	**Fee Rate**			
Ba boa Park Commun ty Infrastructure				
Res dent a (3)	$11.32	/sq.ft.	794,000	$8,988,080
Non Res dent a (3)	$2.13	/sq.ft.	180,000	$383,400
Jobs Hous ng L nkage (4)	na			na
Affordab e Hous ng (5)	na			na
Ch d Care (6)	$2.03	/sq.ft.	1,136,950	$2,308,009
B cyc e Park ng In eu Fee (7)	na			na
Transportat on Susta nab ty Fee				
Res dent a (8)	$9.71	/sq.ft.	794,000	$7,709,740
Non Res dent a (3)	$20.03	/sq.ft.	180,000	$3,605,400
Total				**$22,994,629**
Other Impact Fees (9)				
San Franc sco Un f ed Schoo D str ct	$3.48	/sq.ft.	1,136,950	**$3,956,586**

(1) Residential fees assume approximately 950 to 1 100 sq ft /unit Mix of sizes will vary in final program
(2) All impact fees are as of January 2018
(3) Units affordable to a maximum 80% AM exempt from Balboa Park Community nfrastructure Fee
100% of non-residential assumed to be subject to TSF & Community nfrastructure Fee
(4) Jobs Housing Linkage not applicable to residential
(5) Plans anticipate affordable units sufficient to offset fee requirement
(6) Child Care impact fee may be waived in consideration for the Project's on-site childcare facility
(7) Bicycle facilities provided onsite not subject to fee
(8) Units affordable to a maximum 80% AM exempt from Transportation Sustainability Fee (TSF)
(9) Additional utility fees and charges will be paid depending on final Project design

Sources City of San Francisco and Berkson Associates *2/9/18*

Table A-4
Assessed Value Estimate
Balboa Reservoir

Item	**Development Cost**
Res dent a Bu d ngs (1)	
Townhouses (Market rate)	$60,598,000
Condos (Affordab e)	$15,360,000
Apartments (Market rate)	$169,412,000
Apartments (Moderate)	$87,818,000
Apartments (Low ncome)	$88,031,000
Subtota , Res dent a Bu d ngs	$421,219,000
Other	
Park ng shared (500 spaces)	$13,830,000
Infrastructure (2)	$38,000,000
Other Costs (3)	$86,787,000
Total	**$559,836,000**
(less) Property Tax-Exempt	
Low ncome Renta Un ts (up to 80% AMI)	($88,031,000)
Net Taxable Assessed Value	**$471,805,000**

(1) ncludes building hard costs residential parking and site development Site acquisition and community benefits are to be negotiated and are not included
(2) Master infrastructure includes utilities roads grading parks and open space
(3) "Other Costs" include soft costs (eg legal design finance furnishings and fixtures) Permits & Fees not included for purposes of A V estimates

2/9/18

Table A-5
Property Tax Estimate
Balboa Reservoir

Item	Assumptior	Total
Taxable Assessed Value (1)		**$471,805,000**
Gross Property Tax	1.0%	**$4,718,000**
Allocation of Tax		
Genera Fund	**56.84%**	**$2,682,000**
Ch drens' Fund	3.75%	$177,000
L brary Preservat on Fund	2.50%	$118,000
Open Space Acqu s t on Fund	2.50%	$118,000
Subtotal, Other Funds	**8.75%**	**$413,000**
ERAF	25.33%	$1,195,000
SF Un f ed Schoo D str ct	7.70%	$363,000
Other	1.38%	$65,000
	34.41%	**$1,623,000**
Total, 1%	**100.00%**	**$4,718,000**
Other (bonds, debt, State oans, etc.)	**17.23%**	**$813,000**
TOTAL	**117.23%**	**$5,531,000**

Sources City of San Francisco and Berkson Associates *2/9/18*

Table A-6
Property Tax in Lieu of VLF Estimate
Balboa Reservoir

Item	Total
C tyw de Tota Assessed Va ue (1)	$231,000,000,000
Tota C tyw de Property Tax n L eu of Veh c e L cense Fee (VLF) (2)	$233,970,000
Project Assessed Va ue	$559,836,000
Growth n C tyw de AV due to Project	0.24%
TOTAL PROPERTY TAX IN LIEU OF VLF (3)	**$567,000**

(1) Based on the CCSF FY2017 total assessed value Office of the Assessor-Controller July 21 2017
(2) City and County of San Francisco Annual Appropriation Ordinance for Fiscal Year Ending June 30 2018 page 127

(3) Equals the increase in Citywide AV due to the Project multiplied by the current Citywide Property Tax n Lieu of VLF
No assumptions included about inflation and appreciation of Project or Citywide assessed values

Sources City of San Francisco and Berkson Associates *2/9/18*

Table A-7
Property Transfer Tax
Balboa Reservoir

Item	Assumptions		Total
Annua Transfer Tax From Condo and Townhouses Sa es			
Assessed Va ue (AV)	$75,958,000		
Annua Transact ons	10.0%	*(avg sale once/10 years)(4)*	$7,596,000
Transfer Tax From Condos and Townhouses	$3.40	/$500 (1)	$52,000
Market Rate Apartments (5)			
Assessed Va ue (AV)	$169,400,000		
Avg. Sa es Va ue	6.7%	*(avg sale once/15 years)(3) (4)*	$11,293,000
Transfer Tax: Apartment Bu d ngs (annua avg.)	$15.00	/$500 (2)	$339,000
TOTAL ONGOING TRANSFER TAX			**$391,000**

(1) Rates range from $2 50 per $500 of value for transactions up to $250k $3 40 up to $1 million to $3 75 per $500 of value for transactions from $1 million to $5 million applies to sale of affordable and market-rate ownership units

(2) Assumes rate applicable to sales > $25 million for market-rate apartment buildings

(3) Actual sales will be periodic and for entire buildings revenues have been averaged and spread annually for the purpose of this analysis

(4) Turnover rates are estimated averages based on analysis of similar projects actual % and value of sales will vary annually

(5) No transactions assumed for low-income and moderate-rate apartments owned by non-profits

2/9/18

Table A-8
Sales Tax Estimates
Balboa Reservoir

Item	Low-Income Apts (<55% AMI) Assumptions	Low-Income Apts (<55% AMI) Total	Moderate-Income Apts (<120% AMI) Assumptions	Moderate-Income Apts (<120% AMI) Total	Low-Income Condos (<80% AMI) Assumptions	Low-Income Condos (<80% AMI) Total
Taxable Sales From New Residential Uses						
Sa e Pr ce						
Average Annua Rent or Hous ng Payment (1)						
Average Househo d Income	50% of AMI 2.27/hh	$47,700	110% of AMI 2.27/hh	$104,900	70% of AMI 2.27/hh	$66,700
Average HH Reta Expend ture (3)	27%	$12,900	27%	$28,300	27%	$18,000
New Househo ds		337		165		24
Tota New Reta Sa es from Househo ds		$4,347,000		$4,670,000		$432,000
New Taxab e Reta Sa es Captured n San Franc sco (4)	80% of reta expend	$3,477,600	80% of reta expend	$3,736,000	80% of reta expend	$345,600
Net New Sales Tax to GF From Residential Uses	1.0% tax rate	**$34,800**	1.0% tax rate	**$37,400**	1.0% tax rate	**$3,500**
TOTAL Sales Tax to General Fund (1%)		**$34,800**		**$37,400**		**$3,500**
Annual Sales Tax Allocation						
Sa es Tax to the C ty Genera Fund	1.00% tax rate	**$34,800**	1.00% tax rate	**$37,400**	1.00% tax rate	**$3,500**
Other Sales Taxes						
Pub c Safety Sa es Tax	0.50% tax rate	**$17,400**	0.50% tax rate	**$18,700**	0.50% tax rate	**$1,800**
San Franc sco County Transportat on Author ty (6)	0.50% tax rate	**$17,400**	0.50% tax rate	**$18,700**	0.50% tax rate	**$1,800**
SF Pub c F nanc ng Author ty (Schoo s) (6)	0.25% tax rate	**$8,700**	0.25% tax rate	**$9,400**	0.25% tax rate	**$900**
One-Time Sales Taxes on Construction Materials and Supplies						
Tota Deve opment Cost						
D rect Construct on Costs (exc. and, prof t, soft costs, fees, etc.)						
Supp y/Mater a s Port on of Construct on Cost	60.00%					
San Franc sco Capture of Taxab e Sa es	50.00%					
Sa es Tax to San Franc sco Genera Fund	1.0% tax rate					

(1) ncomes from "2017 MAX MUM NCOME BY HOUSEHOLD S ZE derived from the Unadjusted Area Median ncome (AM) for HUD Metro Fair Market Rent Area (HMFA) that Contains San Francisco" Affordable rents adjusted for average household size of 2 27

(2) Avg market rate apartment rent based on average for comparable project (AxioMetrics 12/17 survey)
Estimated townhouse sale price from Berkson Associates August 2017 avg for new detached homes in San Francisco

(3) Based on typical household spending as reported for the San Francisco MSA by the State Board of Equalization

(4) Estimated portion of sales assumed to be captured within the City based on analyses prepared for comparable projects

Source Berkson Associates

2/9/18

Table A-8
Sales Tax Estimates
Balboa Reservoir

Item	Moderate-Income Townhouses (<105% AMI) Assumptions	Moderate-Income Townhouses (<105% AMI) Total	Market-Rate Apts Assumptions	Market-Rate Apts Total	Market-Rate Townhouses Assumptions	Market-Rate Townhouses Total
Taxable Sales From New Residential Uses						
Sa e Pr ce					$1,500,000 (2)	
Average Annua Rent or Hous ng Payment (1)			$3,300 /un t (2)	$39,600	$7,300 per househo d	$87,600
Average Househo d Income	100% of AMI 2.27/hh	$95,400	30%	$132,000	30%	$292,000
Average HH Reta Expend ture (3)	27%	$25,800	27%	$35,600	27%	$78,800
New Househo ds		24		483		67
Tota New Reta Sa es from Househo ds		$619,000		$17,195,000		$5,280,000
New Taxab e Reta Sa es Captured n San Franc sco (4)	80% of reta expen	$495,200	80% of reta exper	$13,756,000	80% of reta expend	$4,224,000
Net New Sales Tax to GF From Residential Uses	1.0% tax rate	**$5,000**	1.0% tax rate	**$137,600**	1.0% tax rate	**$42,200**
TOTAL Sales Tax to General Fund (1%)		**$5,000**		**$137,600**		**$42,200**
Annual Sales Tax Allocation						
Sa es Tax to the C ty Genera Fund	1.00% tax rate	**$5,000**	1.00% tax rate	**$137,600**	1.00% tax rate	**$42,200**
Other Sales Taxes						
Pub c Safety Sa es Tax	0.50% tax rate	**$2,500**	0.50% tax rate	**$68,800**	0.50% tax rate	**$21,100**
San Franc sco County Transportat on Author ty (6)	0.50% tax rate	**$2,500**	0.50% tax rate	**$68,800**	0.50% tax rate	**$21,100**
SF Pub c F nanc ng Author ty (Schoo s) (6)	0.25% tax rate	**$1,300**	0.25% tax rate	**$34,400**	0.25% tax rate	**$10,600**

(1) ncomes from "2017 MAX MUM NCOME BY HOUSEHOLD S ZE derived from the Unadjusted Area Median ncome (AM) for HUD Metro Fair Market Rent Area (HMFA) that Contains San Francisco"
Affordable rents adjusted for average household size of 2 27

(2) Avg market rate apartment rent based on average for comparable project (AxioMetrics 12/17 survey)
Estimated townhouse sale price from Berkson Associates August 2017 avg for new detached homes in San Francisco

(3) Based on typical household spending as reported for the San Francisco MSA by the State Board of Equalization

(4) Estimated portion of sales assumed to be captured within the City based on analyses prepared for comparable projects

Source Berkson Associates

2/9/18

Table A-8
Sales Tax Estimates
Balboa Reservoir

Item	TOTAL
Taxable Sales From New Residential Uses	
Sa e Pr ce	na
Average Annua Rent or Hous ng Payment (1)	na
Average Househo d Income	na
Average HH Reta Expend ture (3)	na
New Househo ds	1,100
Tota New Reta Sa es from Househo ds	
New Taxab e Reta Sa es Captured n San Franc sco (4)	
Net New Sales Tax to GF From Residential Uses	**$260,500**
TOTAL Sales Tax to General Fund (1%)	**$260,500**
Annual Sales Tax Allocation	
Sa es Tax to the C ty Genera Fund	**$260,500**
Other Sales Taxes	
Pub c Safety Sa es Tax	**$130,300**
San Franc sco County Transportat on Author ty (6)	**$130,300**
SF Pub c F nanc ng Author ty (Schoo s) (6)	**$65,300**
One-Time Sales Taxes on Construction Materials and	
Tota Deve opment Cost	$559,836,000
D rect Construct on Costs (exc. and, prof t, soft costs, fees)	$473,049,000
Supp y/Mater a s Port on of Construct on Cost	$283,829,000
San Franc sco Capture of Taxab e Sa es	$141,914,500
Sa es Tax to San Franc sco Genera Fund	**$1,419,000**

(1) ncomes from "2017 MAX MUM NCOME BY HOUSEHOLD S ZE derived from the Unadjusted Area Median ncome (AM) for HUD Metro Fair Market Rent Area (HMFA) that Contains San Francisco"
Affordable rents adjusted for average household size of 2 27

(2) Avg market rate apartment rent based on average for comparable project (AxioMetrics 12/17 survey)
Estimated townhouse sale price from Berkson Associates August 2017 avg for new detached homes in San Francisco

(3) Based on typical household spending as reported for the San Francisco MSA by the State Board of Equalization

(4) Estimated portion of sales assumed to be captured within the City based on analyses prepared for comparable projects

Source Berkson Associates

Table A-9
Parking Tax
Balboa Reservoir

Item	**Assumption**	**Total**
Garage Revenue (2)		$1,900,000
Spaces (shared garage) (1)		500
<u>Park ng Revenues</u>		
Annua Tota (2)	$3,800 per year/space	$1,900,000
<u>San Franc sco Park ng Tax (3)</u>	25% of revenue	**<u>$475,000</u>**
Park ng Tax A ocat on to Genera Fund/Spec a Programs	*20% of tax proceeds*	$95,000
Park ng Tax A ocat on to Mun c pa Transp. Fund	*80% of tax proceeds*	$380,000

(1) Shared spaces will be a mix of residents and City College parking
(2) Based on estimated revenue from parking garage actual hourly and daily revenue will vary depending on occupancy rates turnover during the day and long-term parking rates vs hourly rates
(3) 80 percent is transferred to the San Francisco Municipal Transportation Agency for public transit as mandated by Charter Section 16 110

Source Berkson Associates *2/9/18*

Table A-10
Gross Receipts Tax Estimates
Balboa Reservoir

Item	Total Gross Receipts	Gross Revenue Tier (1) *up to $1m*	*$1m $2 5m*	*$2 5m $25m*	*$25m+*	Gross Receipts Tax
Bus ness Income						
Subtota	na					na
Renta Income (2)						
Park ng	$1,900,000	*0 285%*	*0 285%*	*0 300%*	*0 300%*	$5,700
Res dent a	$19,127,000	*0 285%*	*0 285%*	*0 300%*	*0 300%*	$57,381
Subtota	$21,027,000					$63,081
Total Gross Receipts	**$21,027,000**					**$63,081**
Pro ect Construct on						
Tota Deve opment Va ue (3)	$559,836,000					
D rect Construct on Cost (4)	$473,049,000	*0 300%*	*0 350%*	*0 400%*	*0 450%*	**$1,892,196**

(1) This analysis applies highlighted tax rate in tier for each use
(2) See tables referenced in Table A-11
(3) Based on total development cost
(4) Direct construction costs exclude soft costs community benefits and land

Source Berkson Associates *2/9/18*

Table A-11
Rental Income for Gross Receipts Tax Estimates
Balboa Reservoir

Item	Gross Sq.Ft. Units, or Space	Annual Avg. Rent	Total
Park ng (exc udes Gross Rece pts Tax) (1)	500 spaces		$1,900,000
Market Rate Apartments (2)	483 un ts	$39,600	$19,126,800
TOTAL			$21,026,800

(1) Refer to Tab e A 9 for add t ona park ng deta .
(2) See Tab e A 8 for est mated market rate apartment rents. *2/9/18*

Table A-12
Estimated City Services Costs
Balboa Reservoir

Item	City Total Budget	Cost per Service Pop. (1) or Mile	Factor		Total Cost
C tyw de Serv ce Popu at on (1)			1,584,500	serv ce pop.	
Project Serv ce Popu at on (1)			2,538	serv ce pop.	
C tyw de DPW M es of Road (4)			981	m es	
M es of Road n Project (est mated)			0.66	m es	
F re Department (2)	$378,948,000	$239	2,538	serv ce pop.	$607,000
Po ce Department (3)	$533,899,000	$337	2,538	serv ce pop.	$855,000
Roads (4)	$112,200,000	$114,373	0.66	m es	$75,815
TOTAL					$1,462,000

(1) Serv ce Popu at on equa s jobs p us res dents (see Tab e A 2).
(2) Tota f re budget (FY17 18 Adopted) exc udes "Adm n strat on & Support Serv ces", assum ng no mpact or add t ona adm n strat ve costs requ red due to Project.
(3) Tota po ce budget (FY17 18 Adopted) exc udes "A rport Po ce".
(4) Road costs (FY16 17) for $52.1 m . street resurfac ng cap ta expend tures and $60.1 m . env ronmenta serv ces (potho e repa r, s dewa ks, graff t , street sweep ng, etc.).
Road m es from SFdata, https://data.sfgov.org/C ty Infrastructure/M es Of Streets/5s76 j52p/data

2/9/18

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Letter in support of Balboa Reservoir
Date:	Wednesday, July 22, 2020 2:59:24 PM

From: Catherine Weitenbeck <info@sg.actionnetwork.org>
Sent: Wednesday, July 22, 2020 2:40 PM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Letter in support of Balboa Reservoir

Linda Wong,

I am a resident of San Francisco and would like to register my support for the Balboa Reservoir project.

This is a rare opportunity for hundreds of families to secure an affordable place to live in our increasingly unaffordable city.

Making sure our essential workers are able to stay in San Francisco and continue to be part of the fabric of our community is more important than ever. Balboa Reservoir will be a huge help.

The inclusion of a childcare center on the site and the addition of public spaces for that everyone can use is also very welcome. I appreciate that great pains have been taken to keep these homes closely integrated with the wider neighborhood - this is a development where everyone will be included.

Placing these homes on the site of the CCSF overflow parking lot is a good use of public land. The City has proceeded wisely in assembling the mix of housing on the site and maximizing the number of affordable homes.

I strongly encourage the Board of Supervisors to endorse this project.

Thank you for taking the time to consider this submission.

Sincerely,

Catherine Weitenbeck
weitenbeck.cathy@outlook.com

1451 7th Ave Apt 4
San Francisco, California 94122

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Letter in support of Balboa Reservoir
Date:	Wednesday, July 22, 2020 1:38:54 PM

From: Emily Mattison-Earls <info@sg.actionnetwork.org>
Sent: Wednesday, July 22, 2020 1:13 PM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Letter in support of Balboa Reservoir

Linda Wong,

I am a resident of San Francisco and would like to register my support for the Balboa Reservoir project.

This is a rare opportunity for hundreds of families to secure an affordable place to live in our increasingly unaffordable city.

Making sure our essential workers are able to stay in San Francisco and continue to be part of the fabric of our community is more important than ever. Balboa Reservoir will be a huge help.

The inclusion of a childcare center on the site and the addition of public spaces for that everyone can use is also very welcome. I appreciate that great pains have been taken to keep these homes closely integrated with the wider neighborhood - this is a development where everyone will be included.

Placing these homes on the site of the CCSF overflow parking lot is a good use of public land. The City has proceeded wisely in assembling the mix of housing on the site and maximizing the number of affordable homes.

I strongly encourage the Board of Supervisors to endorse this project.

Thank you for taking the time to consider this submission.

Sincerely,

Emily Mattison-Earls
emily.mattisonearls@gmail.com

325 27th Street
Oakland, California 94612

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir- Comments of Westwood Park Association
Date:	Wednesday, July 22, 2020 1:38:51 PM
Attachments:	Letter to Budget and Finance Committee of BOS FINAL re Balboa Res.PDF

-----Original Message-----
From: Michael Ahrens <mikeahrens5@gmail.com>
Sent: Wednesday, July 22, 2020 1:13 PM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Cc: Fewer, Sandra (BOS) <sandra.fewer@sfgov.org>; Walton, Shamann (BOS) <shamann.walton@sfgov.org>; Mandelman, Rafael (BOS) <rafael.mandelman@sfgov.org>
Subject: Balboa Reservoir- Comments of Westwood Park Association

To the members of the Land Use and Transportation Committee-

We understand that your committee will consider the proposed Balboa Reservoir development at your July 29, 2020 meeting. Attached please find the comments of Westwood Park Association. Thank you for your consideration.

Michael Ahrens
President, Westwood Park Association
(415)269-3243

abbylgreen@gmail.com
701 Fell St
San Francisco, California 94117

WESTWOOD PARK

July 22, 2020

VIA EMAIL

Supervisors Fewer, Walton, and Mandelman
Members of Budget & Finance Committee
Board of Supervisors
City Hall, Room 244
Dr. Carlton Goodlett Place
San Francisco, CA 94103

Subject: Use of Balboa Reservoir Property for 100% Affordable Housing

Dear Supervisors Fewer, Walton, and Mandelman:

The Westwood Park Association ("WPA") was developed over 100 years ago to represent the interests of the residents of the Westwood Park Community. Westwood Park is located immediately west of the 17+ acre Balboa Reservoir Property ("Property") that is owned by the SF Public Utilities Commission ("SFPUC"). The proposed developer of the Property is Reservoir Community Partners, LLP, a joint venture limited liability entity consisting of a for-profit developer ("Avalon") and Bridge Housing, a non-profit housing development organization, (collectively "Developer"). The Developer proposes to construct 1,100 units, consisting of 550 units of allegedly affordable housing, and 550 units of market rate housing ("Project"). The affordable housing units will be developed and constructed by Bridge Housing and other non-profit developers.

The Development Agreement ("DA") states on page 2 that there are three major public benefits from the Balboa Reservoir Project: (i) 50% of 1,100 units (550 units) will be affordable, (ii) construction of 4 acres of publicly accessible new parks; and (iii) street and infrastructure improvements. Under the DA, the Developer is responsible for funding with private and public funds and constructing 67% of the 550 affordable units (363 units), while the City will be responsible for funding 33% (or 182) affordable units.[1]

WPA opposes the sale of the Property to the Developer because we, along with the voters of San Francisco, believe that public land is an irreplaceable public asset that should not be sold to benefit for-profit private developers. This land should be used for public uses, such as 100% affordable housing, especially in view of the agreed upon purchase price of $11.4 million that the Developers and SFPUC have agreed to which WPA believes is well below market value.

---

1 The DA points out the City's affordable fund share will not apply to 154 units of educator housing which will be constructed on Parcel F. See DA, Exhibit D, Paragraph E(2)(c). See also Exhibit D-1 for the number of units on each parcel designated for affordable housing.

Westwood Park Association, 236 West Portal Ave., #770, San Francisco, California 94127
(415) 333-1125 www.westwoodparksf.org email: board@westwoodpark.com

A. THE CITY MUST RETAIN OWNERSHIP OF THE BALBOA RESERVOIR PROPERTY

The voters of the City adopted Proposition K in November of 2014 that sets forth a clear policy that publicly owned land suitable for housing development represents a unique opportunity for San Francisco to meet the City's affordable housing policy goal. The Board of Supervisors codified this City policy to use public lands for affordable housing in Administrative Code Article 23A, the Surplus Public Lands Ordinance.

The Property consists of 17.6 acres of publicly owned land, of which the Board of Supervisors ("Board") is asked to approve the sale of 16.4 acres to the Developer to construct residential units with accessory uses. It is indisputable that land is an irreplaceable City asset and title to such Property must remain in public ownership. This Board should follow the voter mandated public land use policy by retaining or leasing all or a portion of the Property for public uses that meet the City's current and future needs, including 100% affordable housing, public parks and education.

The City should instruct the SFPUC to sell or lease all, or a portion of, the Property to other City agencies such as the San Francisco Mayor's Office of Housing and Community Development ("MOHCD") for 100% affordable rental housing, and the Recreation and Park Department for Public Parks. MOHCD, in turn, can lease the land to non-profit housing development organizations such as Bridge Housing, the non-profit housing developer that is part of Reservoir Community Partners, LLP.

This Board is well aware that the City has leased property for affordable housing development and other uses and that State and City Agency surplus properties are often leased for affordable housing to non-profit developers, such as:

- The San Francisco Unified School District declared the 36,398 square foot former Phoenix Continuation High School parcel, located at 1950 Mission Street, surplus property in 2015. The City purchased the land and ground leased the land to Bridge Housing who has partnered with Mission Housing Development Corp to develop a 100% affordable housing for 157 families with very low and low-incomes, some of whom were formerly homeless.

- MOHCD leased air rights above the Broadway Tunnel to Self-Help for the Elderly to develop affordable housing for very low-income seniors.

- The Port recently leased Pier 48 and a parcel used by Oracle Park as a parking lot for the Mission Rock Development consisting of open space, office, retail and residential uses. Even though the Mission Rock Development is on SF Port Land and subject to the Burton Act, the principals and benefits to the Port regarding leasing and not selling the land are the same.

- The San Francisco Unified School District declared the Francis Scott Key Annex, located at 1351 42nd Avenue, to be surplus property, and SFUSD will use the land for a 100% affordable multi-family housing project with 134 units for educators

At the end of the lease terms in the above examples, the City and other public agencies will permanently own the affordable rental units that will provide sufficient rental revenue to maintain, replace or construct new affordable housing rental units. Leasing the Property would be a superior use of the Property than allowing developers to profit from the 550 market rate units.

B. THE SALE PRICE IS SUBSTANTIALLY BELOW MARKET RATE AND IS ESSENTIALLY ANOTHER SUBSIDY FOR AVALON

The Purchase and Sale Agreement ("PSA") and the DA allow the SFPUC to sell the Property for an extraordinarily low price without a definitive timeline to complete the Project. Market rate housing could be completed but would not receive a Certificate of Temporary or Permanent Completion and Occupancy until the associated affordable housing has been issued the same certifications. There is nothing in the agreements to prevent the Developer from abandoning the Project should a hardship, real or perceived, arise.

1. *The Purchase Price*

The San Francisco Planning Code requires all private developers to meet a 20% minimum on-site affordable housing requirement. As structured in the PSA and DA, the Developer would purchase 16+ acres of land for mere $11.4 million and financially cover the affordability gap for 232 of the affordable units and not the full affordability gap for 363 units of the 550 proposed on-site affordable housing units. Avalon will have no obligation for the remaining 131 affordable units. It should be noted that 232 affordable units is 21% of the 1,100 unit Project which is only 1% more than the 20% minimum required of any other private for-profit developer, who would have to purchase the land at full market value.

The sales price of $11.4 million for approximately 17 acres is grossly under market value. The following sales in the last 20 years clearly demonstrate that the sales price is extraordinarily low:

- ***30 Van Ness*** is a 48,199 sq. ft. parcel that sold for $58.25 Million Dollars in 2014 and the Planning Commission approved project with 22,000 sq. ft. of retail, 223,000 sq. ft. of office, and 333 residential units of which 25% are affordable units.

- In 2019, Watts, Cohn and Partners Commercial Real Estate Appraisers appraised the City College Ocean Campus land that the City wished to purchase at 11.25 million dollars per acre.

- ***550 O'Farrell*** Street is an 11,808 sf parcel that sold for $3,137,500.00 in May, 2002. The Tax Assessors valuation of this property is currently $4,780,287.00 for the land

and $3,186,857.00 for the building. The Planning Commission approved a mixed-use project in June 2020 that includes 111 dwelling units and 1,300 sq. ft. of retail use.

- ***65 Ocean Avenue,*** an irregularly shaped 40,497-square-foot (0.9 acre) parcel sold for 3.25 Million Dollars in March of 2007. There is a pending proposal to demolish the existing buildings and construct a mixed-use building with 193 one-, two-, and three-bedroom units, a 5,952 gross-square-foot (gsf) childcare facility.

Based on the above examples, the $11.4 million dollar purchase price is grossly under Market Value that amounts to a substantial City subsidy to Avalon for their land cost. This land subsidy is in addition to other City subsidies given in the Development Agreement to Avalon who is supposed to be responsible for 67% (or 363) of the 550 affordable units; when in fact Avalon will only be paying the affordability gap difference for 232 units of affordable housing. Additionally, the public has no information on how many affordable units will be for the very low and low-income households with income not exceeding 55% of AMI.

This Board should reject the PSA before it and require the SFPUC to explore selling or leasing the Property to other City Agencies and remand the proposed sale with instruction to SFPUC to negotiate a lease with a Master Lessee to develop the Property. The Master Lessee may subdivide the parcel and enter into agreements with additional developers to construct on the subdivided lots for affordable housing. The benefit to the City would be the similar to the benefits of the Mission Rock lease with the Port. The City will remain as owner of the land, an irreplaceable asset, and will own the buildings upon expiration of the lease. The total lease payment to the SFPUC is likely to be greater than current proposed $11.4 million sales price and give SFPUC a continuing income stream during the lease term, which can be 55 years or longer.

2. ***Terms of the Proposed Purchase Agreement and Development Agreement are Extremely Favorable to Developer***

There is no assurance that the Developer will ever commence construction of the Project. Under paragraph 6 of the DA the Developer has no obligation to initiate or complete the Project or any portion of the Project. In addition, under Paragraph 11.2 of the DA, the Developer may terminate the DA for any reason if the Developer has not commenced construction within five years.

Moreover, under the PSA the Developer obtains title to the Property but does not have to pay the low $11.4 million purchase price on closing. Instead, the Developer may opt to sign a note for the balance owed with a favorable interest rate and make only nominal payments. After an initial deposit of $500,000, the Developer is only required to pay annual $400,000 "Deposits". (See PSA Paragraphs 3.2, 3.4. and Exhibit H-1). If the Developer at any time does not want to proceed before closing, the sole remedy of the City is to keep the initial payment and Deposits paid to date as "liquidated damages." (See PSA Paragraph 10). Even though the note also has provisions for additional annual payments and for balloon payments in 2026 and 2028, if at any time in the first five years the Developer decides to walk away from the Project it has no personal liability beyond the amounts already paid.

Section 12 on page 42 of the DDA provides that *"if Developer transfers one or more parcels such that there are separate Developers within the Project Site, then the obligation to perform and complete the Associated Community Benefits for a Building shall be the sole responsibility of the applicable Developer."* The result is that the responsibility to complete the affordable housing building and associated community benefits will shift to the non-profit developers. The foregoing provisions give Bridge Housing and other non-profit developers titles to the affordable housing parcels, so that they will have site control; otherwise the non-profit developers will not be able to apply for federal, state and City funds. If they are not successful, Avalon can simply walk from the Project with no additional liability beyond the low annual payments required in the first five years after the City's approval.

The terms of the DA and PSA therefore allow the Developer to pay very little cash out of its pocket and take years to attempt to obtain both public and private funds for the Project, or transfer the property and Project to another developer. And, even if Developer defaults under these documents the liquidated damages clause gives the Developer the right to walk from the Project and exonerates the Developer from any liability. The Developer will have paid only nominal amounts for the rights to consider proceeding with the Project.

C. FINANCING OF AFFORDABLE HOUSING, OPEN SPACE AND STREETS/INFRASTRUCTURE

Our analysis of the Project's financing is based on The Economic & Planning System Inc. memorandum dated May 12, 2020 (the "EPS Memo") prepared for Developer, which is in the Board's packet, and attached hereto (without appendices) as Exhibit 1.

1. *Based On Information Provided By Avalon's Consultant, Avalon Will Not Provide The Affordability Gap Funding For All Of The 33% Affordable Units.*

The EPS Memo analyzed the financial analysis prepared for Avalon for the purpose of showing why an 800-unit project is not financially feasible but an 1,100 unit project is. The EPS Memo states that the affordability gap for each of the 363 units is an average of $312,000 per unit that would total $113,256,000.00. In a table summarizing Developer's sources and uses, it shows that the private contribution to the affordability gap would be $72,471,000.00,[2] which is a $38,854,600 deficit.[3] Based on a $298,000 affordability gap, which is the low end of per unit affordability gap, Avalon's commitment, would finance a total of 232 units, which is 131 units fewer than the 363 units required.[4] The $38,854,600 not funded by the Avalon would require their

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[2] See EPS Memo, Table 1and pages 3 through 6 inclusive.

[3] See EPS Memo, page 4, footnote 1.

[4] The EPS Memo states on page 6 states that the average subsidy for affordability gap ranges from $298,000 to $312,000 per unit and states that the $312,000 per door would be a reasonable amount. The amount is the difference between the Developer's contribution to the affordability gap and the actual affordability gap. In the EPS Memo, the total difference was $40,000,00.00. The high and low ends of the affordability gap is

non-profit developer partners to obtain funding from Federal, State and Local affordable housing programs, if funding is available. Therefore, subsidies from City, Federal, State and Local affordable housing programs would fund 131 of the 550 affordable units and the City will fund the balance of 182 units of what WPA assumes would be the very low-income units.

Under Planning Code Section 415.6, a private project sponsor developing a 1,100 unit project must provide 20% (or 220 units) of the project's on-site inclusionary rental affordable units **without any public subsidy.** A portion of the projected profits from the sale and/or rental income of the project units would be used to subsidize the affordable project component. The analysis in the EPS Memo states that the Avalon would only fund the affordable housing gap of 232 affordable units, which is only 12 units more than a private project sponsor if the Project was simply rezoned for residential use and sold on the open market. The current rent in an Avalon Ocean Avenue rental building is 5.45 per sq. ft. for a studio and $3.95 per sq. ft. for a two-bedroom unit. The EPS Memo estimates that rents for the market rate units in the completed Project would be $4.68 per sq. ft

WPA acknowledges that 100% affordable housing projects serving the very low income will require public and/or private subsidies. The EPS Memo identified some of the outside funding sources currently available to non-profit housing developers, such as Bridge Housing, that includes but is not limited to, "Low Income Housing Tax Credit", "HUD Section 811 Supportive Housing Demonstration Program", Tax Exempt Housing Authority Bonds or Housing Bonds. In addition, there is City funding available from the inclusionary housing and housing impact fees as well as funding from Private Foundations and Individuals.

This Board needs answers to the following questions:

(a) Why is Avalon not fully funding the affordability gap for 33% of the units as required in the Development Agreement, or for that matter why are they not responsible for all 550 affordable units?

(b) Will Bridge Housing fund a portion of Avalon's unfunded $38,854,600 affordability gap without public funding?

(c) How many affordable units will be available for the very low-income residents of San Francisco?

(d) How many of the 550 market rate units will be sold by and how many will be rented by Avalon? And

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higher than the amount cited in the EPS Memo for private developers because a private developer is paying market rate for the land which is significantly higher than the $11.4 million purchase price for 17.6 acres.

(e) Since the City will not fund the 154 Educator Housing, what is the financial arrangement for those units and are they part of the 363 affordable units that is Avalon's responsibility.

2. ***Public Funds Would Be Used For Project Infrastructure And Open Space***

The EPS Memo also mentions that the Avalon will seek funds from the State's Infill Infrastructure Grant program, to provide gap funding for infrastructure improvements for specific residential or mixed use projects, and also look to create a Mello Roos Special Tax District, aka Community Facilities District (CFD) to sift some of the hard development costs from Avalon.[5]

The EPS Memo also opines that the Developer plans to apply for funding from a State Park Program to create the new publicly accessible Open Space including a portion of the streets that will become a Paseo.

D. The Property Can and Should Be Developed For 100% Affordable Housing Without a For-Profit Developer Partner.

Bridge Housing Inc., founded in 1982, has participated in the development of more than 17,000 homes and apartments in California and the Pacific Northwest. Bridge Housing has approximately 11,300 apartments under property and/or asset management with a portfolio value of over $3 billion. Bridge housing has reported in its Federal filings that as of 2019 it has $38,756,564 in revenue and $100,552,743 in assets. Of the over $38 million dollar in revenue $17,304,152 was from program services and $2,198,684 is from investment income and dividends.[6] Bridge Housing has the ability to develop 100% affordable housing if given a long-term lease on the Property. WPA has no issue with the compensation of the top executives of Bridge Housing, because Bridge Housing demonstrates that a well-managed non-profit housing organization is perfectly capable of developing 100% affordable housing alone or in conjunction with other non-profit development partners such as Habitat for Humanity[7], or Chinese Community Development Center.[8]

The Open Space Acquisition and Park Renovation Program (Proposition J) fund created by the voters of San Francisco can be used to acquire a portion of the Property for a new Park that will serve the Ocean Avenue neighborhood as part of developing the Property without a for-profit

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5 See EPS Memo, page 4, footnote 2, pages 7 and 8.

6 Source: IRS Form 990 filed by Bride Housing.

7 Habitat for Humanity Greater San Francisco has a revenue of 17 Million. Source: IRS Form 990, available at https://habitatgsf.org/publications/.

8 In 2017, the Chinatown Community Development Center had $22,028,081 in revenue, of which $959,607 is from investments. Source: IRS Form 990, available at https://www.chinatowncdc.org/about-us/documents.

developer partner. Under the DA, the open space will be publicly accessible, but the Developer will own the underlying land.

E. SUMMARY

Under the DA, Balboa Reservoir Project will provide 1,100 residential units of which 550 will be Affordable Units. Avalon is financially responsible for 66% (or 368) of the affordable units and the City is responsible for the remaining 34% (or 182) of the affordable units. The EPS Memo shows that Avalon will not be financially responsible for development of 363 affordable housing units in the Balboa Reservoir Project. Avalon instead will contribute $72,417,000 to cover the affordability gap for 232 units of 363 affordable units at $312,000/unit of the affordability gap number in the EPS Memo. Rather, Avalon is using a "partnership" with non-profit housing developer(s) to construct the unfunded affordable units with alternative state, City and local funding sources.

As stated above, a private project sponsor developing 1,100 dwelling units must provide 20% affordable units under Section 415.6 of the Planning Code. Thus, Avalon is only providing 12 more affordable units than is mandated under the Planning Code. The cost of infrastructure development is used by Avalon to justify the low "appraised" land valuation. However, the EPS Memo points out that Avalon will seek public tax dollars for the cost of infrastructure not funded by the market rate units and will likely seek public funds designated for public accessible open space to fund the new park with in the Project. The key question is what benefit will the City receive from this Project, since Avalon is relying on public sources to fund for a portion of the affordable gap of the 131.72 housing units, infrastructure and open space?

If so, why should the City sell the Property at such a ridiculously low purchase price when there are capable non-profit housing development organizations such as Bridge Housing, the Habitat for Humanity Greater San Francisco and Chinatown Community Development Center with the *ability* to construct 100% affordable housing projects on leased public land? Avalon will not provide all the funds for the affordability gap of 33% of the units required by the terms and condition of the Development Agreement it negotiated, but will but will end up with 550 units of market rate housing by paying merely $11.4 Million for at least 50% of the 17.6 acres.

Very truly yours,

WESTWOOD PARK ASSOCIATION

BY_______________

Michael Ahrens, President

EXHIBIT 1

MEMORANDUM

To: Reservoir Community Partners, LLC

From: Economic & Planning Systems, Inc.

Subject: Financial Feasibility of Balboa Reservoir Project Alternative B; EPS #201010

Date: May 12, 2020

The Economics of Land Use

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The San Francisco Planning Department prepared a draft subsequent environmental impact report (Draft SEIR) for the Balboa Reservoir project, which studies two options for the Proposed Project and four Alternatives. Economic & Planning Systems, Inc. (EPS) was retained by Reservoir Community Partners, LLC (Developer, Master Developer, or Project Sponsor) to evaluate the financial feasibility of Alternative B, the Reduced Density Alternative.

As described in more detail below, the Project Sponsor has determined the Proposed Project is financially feasible; however, the feasibility of the Project is subject to the availability and successful award of state grants and various affordable housing public subsidies.

Summary of Analysis: *Alternative B is not feasible, showing a deficit of approximately $26.7 million. This deficit is caused primarily due to the relatively fixed costs of the required horizontal infrastructure, as the number of units across which the infrastructure costs can be shared is reduced, as well as the anticipated reduction of outside funding available to support affordable housing.*

Project Description and Background

As described in the Balboa Reservoir Project Draft SEIR, the Balboa Reservoir site is a 17.6-acre parcel in the area West of Twin Peaks and south of central San Francisco, northwest of Ocean and Lee Avenues. The site was originally built as a water reservoir, but has never been used for that purpose and is currently used as a surface parking lot. The Proposed Project calls for the development of the site with mixed-income housing; open space; a childcare facility/community room available for public use; retail space; on- and off-street parking; and new streets, utilities, and other infrastructure. The Developer's Proposed

Option calls for 1,100 dwelling units, 7,500 square feet of retail space, 10,000 square feet of childcare and community space, 550 residential parking spaces, and approximately 220 public parking spaces. Building heights would range from 25 to 78 feet. Fifty percent of the units in the Proposed Project would be affordable to Low- and Moderate-income households; 33 percent of the units would be subsidized by the Developer and 17 percent would be subsidized by the City. The Developer's Proposed Option is evaluated as the base case "Proposed Project," against which the feasibility of Alternative B is evaluated.

As conceptualized and as summarized in the Draft SEIR, Alternative B would be identical to the Proposed Project with respect to the land uses, street configurations, and site plan block configurations. However, under Alternative B, the site would be developed with approximately 800 dwelling units. This alternative would include 7,500 square feet of retail space, 10,000 square feet of childcare and community space, and 400 residential parking spaces. Alternative B would not include a public parking garage. In general, building heights would be reduced compared to the Proposed Project, resulting in slightly less efficient buildings.[1] Other aspects of the Proposed Project including open space and transportation and circulation improvements would remain the same under the alternative.

The Balboa Reservoir site is currently owned by the City and County of San Francisco through its Public Utilities Commission, which has determined that the site is surplus and not needed for future water storage. The Developer and the San Francisco Public Utilities Commission (SFPUC) have tentatively agreed upon a fair market land purchase price of $11.2 million.

Approach and Key Findings

To support this evaluation of the financial feasibility of Alternative B, the Developer, via Century Urban, LLC, a consultant to the City, shared a project pro forma that had been developed collaboratively between the City and the Project Sponsor to analyze the development economics of the Proposed Project. EPS studied the assumptions and results of the cash flow model and considered the feasibility of Alternative B in this context. Discussions with the Project Sponsor team and Century Urban helped provide additional background and context for EPS's consideration. The conclusions outlined below are based on EPS's evaluation of the shared model, discussions with those close to the project, and EPS's professional judgement as a real estate and land use economics consulting firm, active in the San Francisco area. This analysis is based on the best available information at this time.

1. **Through careful analysis of the development economics of the Proposed Project and evaluation of potential outside funding sources (e.g., Infill Infrastructure Grant, State Park Grant, Affordable Housing and Sustainable Communities Program, and City subsidy for affordable units), the Project Sponsor and the City have determined that the Proposed Project is feasible.**

   The Project Sponsor is evaluating the types of outside funding sources that may be appropriate to help fund the horizontal improvements required to support the Proposed Project, including the state's Infill Infrastructure Grant (IIG), a state Park Grant, the

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[1] The Project Sponsor conservatively estimates the loss of efficiency to be approximately 2 to 3 percent. This assumption seems reasonable, but EPS has not independently verified this assumption.

California Housing and Community Development's Affordable Housing and Sustainable Communities Program (AHSC), as well as the subsidies required from the City to achieve an affordable housing goal of 50 percent. Eligibility criteria and competitiveness for many of these sources is tied to project density, and the Project Sponsor estimates the Proposed Project is optimizing competitiveness in this regard and at the limit of the potential grant and subsidy amounts that may be awarded.[2]

2. **Alternative B, the "Reduced Density Alternative," reduces the maximum number of residential units from 1,100 units under the Proposed Project to 800 units, a reduction of approximately 27 percent.**

   The reduction in the number of units occurs by reducing the density of each pad (through reduced building heights) rather than by concentrating development on fewer pads. With the reduction in the number of residential units, the number of parking spaces is reduced to 400 spaces that would serve the residential uses only. The remainder of the program, including leasable space for commercial and nonprofit uses and parks and open space remains the same.

3. **The reduction in the number of units does not contribute to a proportionate decrease in the expected land payment to SFPUC or the horizontal infrastructure investment required to support new development.**

   The expected land cost is estimated at approximately $11.2 million. SFPUC requires the land payment for the site to reflect fair market value. In this case the fair market value will be determined through an appraisal process; however, it is not expected that SFPUC would accept less than $11.2 million for the land under a reduced development scenario. The sitewide infrastructure costs (e.g., utility infrastructure, roads/curbs/gutters, earthwork and grading, and parks and open space) are estimated at approximately $43.6 million in Phases 0 and 1 and $4.7 million in Phase 2, for a total of $48.3 million (in uninflated 2019 dollars). Unless development is reduced to the point that not all pads are developed, this investment in horizontal infrastructure is relatively fixed. The "per door" infrastructure cost is $45,000 per door for the Proposed Project and $60,000 per door for Alternative B, a 33 percent increase. This additional cost burden (on a per door basis) would be in addition to vertical development costs that already cannot be supported by project revenues alone (see next finding).

4. **With the 50 percent affordability target (33 percent to be subsidized by the Developer and 17 percent to be subsidized by the City), the vertical development in the Proposed Project requires approximately $72.5 million of additional funding according to the shared project pro forma. The reduced program renders the vertical development less feasible and makes it less likely the vertical development can support higher per door horizontal infrastructure costs.**

   Since, development fees (including profits) are included as a use of funds, a "Net Surplus/Deficit" of $0 or greater represents a feasible project, while a negative number

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[2] Many of the grants the Project Sponsor will be seeking cannot be applied for until entitlements are in place. As such, the Proposed Project is currently underwritten based on the Project Sponsor's best estimate of the types of grants that will be pursued and the likely amount of those grants if awarded.

represents a project deficit and an infeasible project. . As shown in **Table 1**, Alternative B is $26.7 million short of feasibility. Also note that this deficit is significantly larger than the $11.2 million land acquisition cost, so, even if the SFPUC were willing to accept a reduced land payment, no amount of reduction in land cost would result in feasibility.

At the same time, as the development program is reduced, many sources are subject to decreases. Reducing the number of units reduces the amount of outside funding that can be reasonably expected, as it is anticipated that the reduced density project may not compete as well for the grant funding that is underwritten into the shared project pro forma. **Table 1** presents a summary of current estimates of the sources and uses for the Proposed Project and Alternative B.

In addition, while certain uses are fixed (e.g., land acquisition, infrastructure improvements), the subsidy that flows to the affordable housing developer decreases with a reduced number of affordable residential units.

Table 1 Summary of Master Developer Sources and Uses

Summary of Master Developer Sources and Uses	Scenario (in thousands $)	
	Proposed Project	**Alternative B**
Uses		
Land Acquisition	($11,157)	($11,157)
Hard Costs (Horizontal)	($34,050)	($34,050)
Soft Costs (Horizontal)	($14,246)	($14,246)
Financing Costs	($6,657)	($6,657)
Affordable Subsidy [1]	($72,471)	($61,562)
Master HOA Costs	($2,054)	($2,054)
Master Developer Fee	($4,830)	($4,830)
Gross Expenditures	**($145,464)**	**($134,555)**
Sources		
Public Finance (CFD Bonds)	$12,500	$9,091
Upfront Infrastructure Payments	$22,705	$16,512
Proceeds from Pad Sales	$70,759	$51,198
Subsidy from Outside Sources (State) [2]	$39,500	$31,045
Gross Revenues	**$145,464**	**$107,847**
Net Surplus/Deficit	**$0**	**($26,708)**

[1] Affordable subsidy identified here is net of approximately $40 million of grant funding through the state's Housing and Community Development's Multifamily Housing Program (MHP) and Affordable Housing and Sustainable Communities Program (AHSC).
[2] The primary outside funding sources are the Statewide Park Program (SSP) and the state's Infill Infrastructure Grant (IIG) Program.

Source: Reservoir Community Partners LLC; Economic & Planning Systems, Inc.

Methodology

EPS was provided access to the shared project pro forma, dated December 5, 2019, which has been developed collaboratively between the City and the Project Sponsor to analyze the development economics of the Proposed Project. EPS reviewed the model and considered the reasonableness of the underlying assumptions. The model is prepared from the perspective of the Project Sponsor, acting as Master Developer, with responsibility for entitling the development, arranging financing, acquiring the land, and installing the horizontal infrastructure.[3] The Master Developer will then sell the eight development pads to vertical developers that will build the improvements.

Development Costs

Each of the primary development costs, or uses, is described below, along with EPS's assessment of how and why the development cost may or may not differ between the Proposed Project and Alternative B.

Land Acquisition. The Project Sponsor will purchase the land from the SFPUC at an estimated cost of $11.2 million. While the SFPUC shares the Project Sponsor's goal to achieve significant affordable housing at the site, the SFPUC, on behalf of its ratepayers, requires fair market consideration for the land. While the exact transaction price may still vary depending on the results of a pending appraisal, the estimate of $11.2 million is the prevailing assumption, generating value to SFPUC while contributing to the feasibility of the Proposed Project. It is not expected that SFPUC would accept less for the land under a reduced development scenario. As such, **Table 1** preserves the land acquisition cost of $11.2 million under Alternative B.

Horizontal Hard/Soft Costs. The hard costs of developing the horizontal improvements are based on an April 2019 budget estimate from Cahill Contractors. The estimate for the hard costs ($34 million) is attached as **Appendix A**. Costs include demolition, hazardous materials abatement, earthwork (grading/paving), installing site utilities, concrete and asphalt work, landscape, irrigation, site furnishings, electrical work, and final site cleanup. Soft costs include entitlements, architectural and engineering drawings, professional services, and contingency. Soft costs are typically estimated as a percentage of hard costs, and in this case, represent approximately 40 percent of the hard cost estimate, which, in EPS's opinion, is a reasonable assumption. Because the reduced density associated with Alternative B is achieved by lowering the heights of the vertical construction rather than eliminating one or more development pads, there is no significant change to the required horizontal improvements, and it is reasonable to expect the hard and soft costs would remain substantially similar under Alternative B.

Financing Costs. Financing costs are the financial carrying costs of the construction loan, and include the loan origination fee and the interest. While these terms may vary between the time of this estimate and the time that the financing is arranged, the costs will be related to the hard costs, and potentially to other overall development costs, and, therefore, substantially the same between the Proposed Project and Alternative B.

Affordable Housing Subsidy. The Proposed Project reflects a goal that 50 percent of the 1,100 units, or 550 units, be affordable to Low and Moderate-income households. The Master

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[3] Vertical developers may be affiliates of the Project Sponsor.

Developer will subsidize 33 percent, or up to 363 units and the City of San Francisco, through the Mayor's Office of Housing and Community Development (MOHCD), is committing to subsidizing 17 percent of the total units, or up to 187 units. At a conceptual level, this agreement is not expected to change in Alternative B; the Master Developer will subsidize 33 percent of the total units and the City will subsidize 17 percent of the total units, up to a maximum per door that is still being finalized and not-to-exceed the amount the Master Developer is subsidizing.

In **Table 1**, the Affordable Housing Subsidy line item shows the net subsidy for 33 percent of the units that the Master Developer is responsible for funding. The shared project pro forma currently estimates that the total subsidy needed will be approximately $113 million. On a per door basis, the affordable housing subsidy gap to be addressed by the Developer is approximately $312,000. Presuming that approximately $40 million of state subsidy is available through the California Housing and Community Development's Multifamily Housing Program (MHP) and Affordable Housing and Sustainable Communities Program (AHSC) (see *Subsidy from Outside Sources* below), the total subsidy is reduced to $72.5 million as shown on **Table 1**, and the per door subsidy is reduced to approximately $200,000. To confirm the reasonableness of the estimated subsidy, EPS reviewed the typical level of subsidy provided by MOHCD, as shown in **Appendix B**. Appendix B is a summary of past, pending, and projected affordable housing subsidies granted through MOHCD and shows subsidies ranging from a low of $100,000 per door to a high of $356,700 per door. The average subsidy per door of the units currently under construction is $298,000, suggesting a per door subsidy from the Master Developer of up to $312,000 is a reasonable subsidy amount in the Proposed Project.

Because the subsidy from the City is tied to the number of units and because the development under Alternative B is slightly less efficient, the resulting gap, which is the obligation of the Master Developer as described above, is disproportionately affected, as shown in **Table 1**. The Project Sponsor estimates that there would be a minimum 2.5 to 3 percent loss of efficiency based on the smaller buildings in Alternative B,, resulting in a conservative 10 percent increase in the gap to be financed. EPS discussed this concept with the Project Sponsor and concurs that this is a reasonable estimate.

Master HOA Costs. There is expected to be a Homeowners Association (HOA) that Project apartment and townhome owners pay to support ongoing operations and maintenance (O&M) of the shared infrastructure, such as the park and park programming, lighting, pathways, etc. The Master HOA costs are costs (or dues) the Master Developer incurs from the time the HOA is formed to when the obligation to pay dues is transferred to vertical developers. Because the total O&M expenses of the shared infrastructure is the same regardless of the number of units, this line item is estimated to stay the same under Alternative B.

Master Developer Fee. As the Master Developer, the Project Sponsor is working on a fee basis, which is typical. Under the Proposed Project, the fee is estimated at $4.8 million. Because the work for the Master Developer is largely the same under Alternative B as the Proposed Project, the Master Developer Fee is expected to remain the same under Alternative B. Even if the Master Developer waived its fee entirely, the savings to the overall Project Costs would not be enough to render Alternative B feasible.

Funding Sources

Each of the primary sources of revenue is described below, along with EPS's assessment of how and why the development cost may or may not differ between the Proposed Project and Alternative B.

CFD Bond Proceeds. A Community Facilities District (CFD) will be formed, through which future townhome property owners will pay a special tax each year as part of their property tax bill. Revenue from the CFD special tax will be used to pay the debt service on a bond issuance, the proceeds from which will help fund infrastructure. The amount of the special tax and, therefore, the size of the bond are informed by feasibility considerations (i.e., how much each household or parcel can support). As such, the revenue from this source will decrease as the project density is reduced, assuming that the total number of townhomes decreases in the same proportion that the total number of units decreases. **Table 1** illustrates this reduction and assumes the reduction is proportional to the decrease in the number of units since a property owner's capacity to pay the special tax stays constant regardless of the size of the project.

Upfront Infrastructure Payments. While the CFD structure works well for the for-sale townhome development, it is not preferred for the developers of the rental residential product who prefer to pay Upfront Infrastructure Payments, rather than annual supplemental special taxes over time. The rental residential development will share in the infrastructure cost obligation, and the capacity is tied to the number of units. Similarly, the reduction in Upfront Infrastructure Payments is assumed proportional to the decrease in the number of units.

Proceeds from Pad Sales. Upon completion of the horizontal improvements, the Master Developer will sell the individual development sites (or pads) to vertical developers. The pad for the townhome units will be sold at market rate prior to vertical development. Of the remaining development, both the market rate and affordable units are expected to contribute to land acquisition costs, and the mechanism for that is through the pad sale proceeds. The estimated revenue from the pad sales is based on a per unit estimate of the land value. Because the proceeds from pad sales is estimated on a per door basis, the revenue from this line item decreases under Alternative B, as shown on **Table 1**. Note that the decrease in the proceeds from pad sales is not recouped through a lower land acquisition cost from the SFPUC; that estimate remains at $11.2 million. Put differently, holding the SFPUC land payment constant at $11.2 million, the required land payment per unit increases under the alternative scenario, which negatively impacts the ability for vertical development projects to contribute more to land and/or infrastructure payments.

Subsidy from Outside Sources. The economics of the Proposed Project are highly dependent on identifying and securing outside funding sources. The primary outside funding sources are the Statewide Park Program (SSP),[4] the state's Infill Infrastructure Grant (IIG) Program,[5] and the

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[4] The Statewide Park Program is a competitive grant program intended to create new parks and new recreation opportunities in underserved communities across California.

[5] IIG is grant assistance, available as gap funding to infrastructure improvements required for specific residential or mixed-use infill development. Funds will be allocated through a competitive process for Large Jurisdictions, based on the merits of the individual infill projects and areas. Application selection criteria includes housing density, project readiness, access to transit, proximity to amenities, and housing affordability.

California Housing and Community Development's Multifamily Housing Program (MHP) and Affordable Housing and Sustainable Communities Program (AHSC). None of these sources has been secured, but the eligibility and award criteria for each have been evaluated and appear appropriate for the Proposed Project.

While competitive, award of the SSP does not appear to be tied to project density, and revenue from this outside funding source is assumed to be the same under the Proposed Project and Alternative B. Competitiveness for both the IIG and the AHSC grants appears tied to project density and the number of affordable and overall units. For estimating purposes, the amount of these grants is assumed to decrease in proportion to the reduction in the number of units. MHP is a deferred loan program with a maximum award on a per unit basis, and therefore has also been assumed to decrease in proportion to the reduction in the number of units.

General Observations

EPS reviewed and confirmed as reasonable several of the underlying market assumptions, including market rate rents for the apartments and sales prices for the townhomes. Using CoStar Real Estate Group data for the San Francisco multifamily apartment market, generally, and CoStar market data for the nearby Avalon Ocean Avenue project, specifically, the average rent assumption of $4.68 per square foot and the average vacancy rate assumption of 5.5 percent are consistent with market comparables. Current rents at Avalon Ocean Avenue range between $3.95 per square foot for 2-bedroom units to $5.45 per square foot for studio units, and vacancy is averaging approximately 1.7 percent.

Effective rents in the broader San Francisco market are lower than the rents assumed in the project pro forma, averaging approximately $4.20 per square foot. The effective rents do not reflect a premium for new construction and or other project amenities, such as the onsite park space and associated park programming, that will affect achievable rents under the Proposed Project. See **Appendix C** for market data specific to the Avalon Ocean Avenue project and **Appendix D** for multifamily market data in San Francisco as of March 2020.

The return-on-cost is an appropriate metric to evaluate the feasibility of the vertical development of the apartments and commonly used by publicly-traded Real Estate Investment Trusts (REIT). A return-on-cost of greater than 5 percent, as demonstrated in the project pro forma, is reasonable.

As a general note, this memorandum is being prepared as the world seeks to address the COVID-19 pandemic, an unprecedented public health crisis that has endangered vulnerable populations and caused sudden and dramatic shifts in economic and social behavior. Since the economic effect has been both significant and abrupt, the pandemic may potentially have implications for some of the assumptions and conclusions described above. However, given that the length and severity of the pandemic is still unknown, the specific economic implications will depend on how the crisis and economic response unfold over the next many months.

About EPS

EPS is a land economics consulting firm experienced in the full spectrum of services related to real estate development, the financing of public infrastructure and government services, land use and conservation planning, and government organization. For a full statement of qualifications, please see **Appendix E**.

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	Fwd: Letter in support of Balboa Reservoir
Date:	Wednesday, July 22, 2020 11:04:56 AM

Get Outlook for iOS

From: SILVIA SANTANA <info@sg.actionnetwork.org>
Sent: Wednesday, July 22, 2020 10:59:55 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Letter in support of Balboa Reservoir

Linda Wong,

I am a resident of San Francisco and would like to register my support for the Balboa Reservoir project.

This is a rare opportunity for hundreds of families to secure an affordable place to live in our increasingly unaffordable city.

Making sure our essential workers are able to stay in San Francisco and continue to be part of the fabric of our community is more important than ever. Balboa Reservoir will be a huge help.

The inclusion of a childcare center on the site and the addition of public spaces for that everyone can use is also very welcome. I appreciate that great pains have been taken to keep these homes closely integrated with the wider neighborhood - this is a development where everyone will be included.

Placing these homes on the site of the CCSF overflow parking lot is a good use of public land. The City has proceeded wisely in assembling the mix of housing on the site and maximizing the number of affordable homes.

I strongly encourage the Board of Supervisors to endorse this project.

Thank you for taking the time to consider this submission.

Sincerely,

SILVIA SANTANA

nahomy_49@yahoo.com
2258 CAPITOL AVE
EAST Palo Alto, California 94303

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	Fwd: Letter in support of Balboa Reservoir
Date:	Wednesday, July 22, 2020 10:53:40 AM

Get Outlook for iOS

From: Keith Wycoff <info@sg.actionnetwork.org>
Sent: Wednesday, July 22, 2020 10:52:02 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Letter in support of Balboa Reservoir

Linda Wong,

I am a resident of the San Francisco Bay Area and would like to register my support for the Balboa Reservoir project.

This is a rare opportunity for hundreds of families to secure an affordable place to live in our increasingly unaffordable city.

Making sure our essential workers are able to stay in San Francisco and continue to be part of the fabric of our community is more important than ever. Balboa Reservoir will be a huge help.

The inclusion of a childcare center on the site and the addition of public spaces for that everyone can use is also very welcome. I appreciate that great pains have been taken to keep these homes closely integrated with the wider neighborhood - this is a development where everyone will be included.

Placing these homes on the site of the CCSF overflow parking lot is a good use of public land. The City has proceeded wisely in assembling the mix of housing on the site and maximizing the number of affordable homes.

I strongly encourage the Board of Supervisors to endorse this project.

Thank you for taking the time to consider this submission.

Sincerely,

Keith Wycoff

kwycoff@planetbiotechnology.com
2399 Carmel Drive
Palo Alto, California 94303

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	Fwd: Letter in support of Balboa Reservoir
Date:	Wednesday, July 22, 2020 10:50:23 AM

Get Outlook for iOS

From: Abby Green <info@sg.actionnetwork.org>
Sent: Wednesday, July 22, 2020 10:49:55 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Letter in support of Balboa Reservoir

Linda Wong,

I am a resident of San Francisco and would like to register my support for the Balboa Reservoir project.

This is a rare opportunity for hundreds of families to secure an affordable place to live in our increasingly unaffordable city.

Making sure our essential workers are able to stay in San Francisco and continue to be part of the fabric of our community is more important than ever. Balboa Reservoir will be a huge help.

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Placing these homes on the site of the CCSF overflow parking lot is a good use of public land. The City has proceeded wisely in assembling the mix of housing on the site and maximizing the number of affordable homes.

I strongly encourage the Board of Supervisors to endorse this project.

Thank you for taking the time to consider this submission.

Sincerely,

Abby Green

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Letter in support of Balboa Reservoir
Date:	Wednesday, July 22, 2020 9:07:04 AM

From: Suzanne Bryan <info@sg.actionnetwork.org>
Sent: Tuesday, July 21, 2020 9:23 PM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Letter in support of Balboa Reservoir

Linda Wong,

I am a resident of San Francisco and would like to register my support for the Balboa Reservoir project.

This is a rare opportunity for hundreds of families to secure an affordable place to live in our increasingly unaffordable city.

Making sure our essential workers are able to stay in San Francisco and continue to be part of the fabric of our community is more important than ever. Balboa Reservoir will be a huge help.

The inclusion of a childcare center on the site and the addition of public spaces for that everyone can use is also very welcome. I appreciate that great pains have been taken to keep these homes closely integrated with the wider neighborhood - this is a development where everyone will be included.

Placing these homes on the site of the CCSF overflow parking lot is a good use of public land. The City has proceeded wisely in assembling the mix of housing on the site and maximizing the number of affordable homes.

I strongly encourage the Board of Supervisors to endorse this project.

Thank you for taking the time to consider this submission.

Sincerely,

Suzanne Bryan
ohsuzann@pacbell.net

48 Lurline Street
San Francisco, California 94122

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Wednesday, July 22, 2020 9:06:54 AM

From: Jeff Kaliss <jefkal@jeffkaliss.com>
Sent: Tuesday, July 21, 2020 9:31 PM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is ______Jeff Kaliss_____ and I live in the _____Westwood Highlands______ neighborhood. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

Given our City's dire housing crisis and the lack of affordable housing, I support the City's efforts to provide new housing opportunities for San Franciscans, especially when the new homes are built in places with good transportation access and existing services. The best combination would be new affordable housing for families located near family-friendly amenities, like playgrounds, parks, and child care centers.

The Reservoir Partners development proposal of 1,100 homes includes 550 affordable homes for people earning between 30% and 120% area median income (AMI). These affordable rental homes sized for working families will be built by San Francisco-based non-profits BRIDGE Housing and Mission Housing, along with a handful of for-sale affordable homes built by Habitat For Humanity. One of these rental buildings with approximately 150 apartments will offer prioritized housing for City College educators and staff earning between 80%-120% AMI with a secondary preference for SF Unified School District educators and staff. As with the market-rate apartments being built concurrently, all of these households will have access to the new neighborhood park, dog play areas, and the on-site child-care center that create a strong family friendly environment for future residents and all existing neighbors. Please support this project.

Jeff Kaliss

jefkal@jeffkaliss.com
230 Hazelwood Avenue
San Francisco, California 94127

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Wednesday, July 22, 2020 9:05:09 AM

From: Paul Anderson <info@email.actionnetwork.org>
Sent: Wednesday, July 22, 2020 7:08 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Paul Anderson and I live in the Monterey Heights neighborhood. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

The Reservoir Partners development proposal of 1,100 homes literally at Ocean Avenue's doorstep has been designed to connect the new residents to retail and services along Ocean Avenue without creating commercial space that would be in competition with the small businesses along Ocean Avenue. In fact, the development has been designed to specially complement the existing and future Ocean Avenue businesses. The walking paths designed along Lee, Brighton, and the Ingleside Library will connect Reservoir residents directly to Ocean Avenue while also enabling neighbors, employees and pedestrians easy access from Ocean Avenue to the Reservoir's new neighborhood park, dog walking areas, and other open spaces located directly behind Whole Foods. During this time of sheltering-in-place, business stress and future economic uncertainty, the Balboa Reservoir development provides the support of thousands of new customers living in the 1,100 new homes that will be vital to stabilizing all of the small businesses along Ocean Avenue and helping the neighborhood thrive long into the future.

Paul Anderson
pa94787@gmail.com
46 San Jacinto Way,
San Francisco, California 94127

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Hearings
Date:	Wednesday, July 22, 2020 9:03:03 AM
Attachments:	Comments_jdh_BOS-Hearings-July2020.docx

From: Jennifer Heggie <jdheggie@gmail.com>
Sent: Wednesday, July 22, 2020 8:17 AM
To: Major, Erica (BOS) <erica.major@sfgov.org>; Wong, Linda (BOS) <linda.wong@sfgov.org>; Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>; Low, Jen (BOS) <jen.low@sfgov.org>; Yee, Norman (BOS) <norman.yee@sfgov.org>
Subject: Balboa Reservoir Hearings

Land Use & Transportation Committee, Budget & Finance Committee, BOS (Files 200422, 200423, 200635):

Dear Supervisors,
Please see attached my comments on the Balboa Reservoir development to be discussed in Committee hearings 7/27/20 and 7/29/20. Though, like most San Franciscans, I would like to see more affordable housing, there are serious implications with this development that I hope you will consider.
Thank you for your review of the points in the attached letter.
Regards,
Jennifer Heggie

July 21, 2020

Dear Supervisors:

The Balboa Reservoir development will create more problems than it solves. After participating in five years of community meetings, the key issues have still not been addressed, and I urge you not to support this development as it is currently planned. The damage will be serious, not just to the immediate neighborhoods, schools and daycare centers, but also to the City at large as equitable access to education is curtailed. As livelihoods are lost due to this pandemic , many will need to retrain to support themselves and their families. This is not the time to shut down access to retraining facilities. But that will be the unintended consequence of beginning construction of the Balboa Reservoir development at the time planned.

There are many legitimate and important reasons this plan falls short, and I am including only a few of them here. Some of these shortcomings are due to a lack of resources from the City and County of San Francisco. If you choose to move the project forward despite the pain it will cause, please make any approval conditional on a feasible SFMTA improvement plan for the area with finances to implement the recommendations or require the developers to provide additional public parking, and postpone the Balboa Reservoir development construction until after the critical City College construction has been completed adjacent to it. Those measures will mitigate a few of the issues.

Four key concerns are described in more detail below. They are: 1) Inadequate replacement parking for City College students will result in less access to the opportunities that education provides; 2) Needed improvements for the safe access of pedestrian and non-car vehicles to City College and the Balboa Reservoir development are mostly unplanned and unfunded; 3) Significant adverse impacts to transportation, noise and air quality from the Balboa Reservoir development are identified in the EIR causing particular harm to nearby sensitive receptors; and 4) Delays due to simultaneous construction will result in significant added costs to City College.

1. **Inadequate replacement parking for City College students will result in less access to the opportunities that education provides**:
    a. Despite public comments at PUC hearings and the SF Public Utilities CAC, the implications of long-planned improvements to City College were ignored by the SFPUC when deciding to sell their land. City College of San Francisco has been planning for at least 15 years to construct new buildings on its main campus western parking lot while using the Balboa Reservoir for replacement student parking during and after construction. The plan for re-placing campus buildings was long delayed due to the uncertainty of the future of the college, lawsuits over past shoddy construction, a revolving door of senior administrators, and funding redirected to emergency patches that would allow ADA access and keep existing buildings in use long past their expected lifetime.

b. The Balboa Reservoir developers have agreed to build “up to 450 public parking spaces” to replace the typical amount of parking use on the Balboa Reservoir when classes are in session. This is not “replacement” parking because it does not take into account:

   i. That the loss of parking spaces on the City College owned “upper lot” (adjacent to the Balboa Reservoir) displaced by replacement campus buildings is not considered in the 450 count. Per the Fehr-Peers TDM study of 2018, construction of the Performing Arts Education Center (PAEC) would result in the removal of 760 existing parking spaces. The City College plan has changed since the 2018 TDM and the 2019 Subsequent EIR, and the number of parking spaces displaced will be represented by the combined footprints of the Diego Rivera Theater and STEAM (Science, Technology, Engineering, arts and Math) building. What has remained consistent, at least up until the time of the pandemic, is that the City College-owned “upper lot” is consistently full during midday on week days, and the Balboa Reservoir is used for the overflow, an overflow that will increase as new City College buildings are constructed.

   ii. The lack of an identified and assured source of funding for discounted student parking rates in the public-use parking lot where market rate parking is planned. This has implications for the equity of access to public education.

   iii. The “replacement” parking number does not take into account the periods of highest student parking use in the Balboa Reservoir, midday during the first two weeks of the semester when students are deciding which classes to take, when many more than 450 parking spaces on the reservoir are filled.

   iv. The core TDM plan assumes a pre-pandemic public transportation infrastructure that would result a shortfall in parking during peak periods in 2026. (See Fehr-Peers CCSF TDM Study of 2018.) It’s unclear whether implementing even the core TDM plan is still feasible.

   v. The lack of funding for implementing more aggressive and expensive Additional TDM Measures that would reduce the need for driver parking. There is no funding for these measures from the Balboa Reservoir developers, SFMTA or City College.

2. Needed improvements for the safe access of pedestrian and non-car vehicles to City College and the Balboa Reservoir development are unplanned and unfunded.

a. An SFMTA plan for wider pedestrian walkways, bike lanes, and other safety improvements along Ocean Avenue from the Balboa BART station to Frida Kahlo Way, is not expected to be available until the end of the year, and it is unclear if it will include the heavily congested area along Frida Kahlo Way to Judson. In the current climate it doesn't appear likely that any of the needed improvements on which the dense Balboa Reservoir development was justified will be funded. From the start, it has been clear that safe alternatives to driving to mitigate the significant increase in population into an already heavily congested area requires some sort of mitigation.

b. A TDM study developed to gauge what would cause students to switch to non-car alternatives identified key concerns of students. When asked how City College should allocate available resources to transportation, the largest response (29%) was to improve connections to BART and Muni. And in response to the question about the key barrier to switching from driving to other forms of transportation, the majority (39%) responded, "time-based access." (Fehr-Peers CCSF TDM study of 2018) But nothing is being done to improve the connection to BART and Muni from the Ocean campus or reduce commute times. In fact the opposite is the case due to pandemic fallout.

3. Significant adverse impacts to transportation, noise and air quality from the Balboa Reservoir construction and operation are identified in the EIR, causing particular harm to nearby sensitive receptors.

Three areas identified in the City Planning EIR cannot be adequately mitigated per the current Balboa Reservoir developer plan. Transportation and Noise, and Air Quality, if the construction time period is compressed, meet or exceed the threshold of "significant adverse impacts." The developer is planning offsets for air pollution, but that won't help the detrimental impacts to learning, brain development and health in the surrounding area. The development will sit smack in the middle of multiple daycare centers, a high school which houses boarding students, City College, a 100% affordable multi-unit building that includes a daycare center, residences, and a grocery store with loading dock on a single lane road for driving in and out of the Reservoir. The only other point of ingress/egress for drivers is already heavily used by employees and students of City College and Riordan High School. Ongoing noise pollution during key periods of construction (9am to 4pm on weekdays) will adversely impact student learning, and the health impacts of high pollution areas are well known. All of the adjoining institutions and residents will be adversely impacted as well as a larger swath of San Francisco, as pollution from the development construction mixes with that of the 280 freeway APEZ zones.

The plan identifies the use of backup generators at the many large residential buildings in the development. Post construction, once the Balboa Reservoir development is operational, each building will be starting up their diesel generators on a regular basis for testing. As we express concerns about natural gas in our new construction, so should we also require electric battery generator backup, rather than heavily polluting diesel generators.

4. **Delays due to simultaneous construction will result in significant added costs to City College.**

   Famous artist Diego Rivera gifted the Pan American Unity mural to City College. The replacement City College theater has been designed to display that mural to the public. The mural is to be loaned for an exhibition at SFMOMA while the City College Diego Rivera theater is being constructed on City College's parking lot. That coincides with the period of adjacent Balboa Reservoir construction. SFMOMA has a timeline by which the mural must be gone after the exhibit. That date is a month after the projected completion date of City College's Diego Rivera theater, a very tight schedule. If the theater construction is delayed, the mural will need to be placed in very expensive storage. This is not an additional cost that City College is in a position to handle.

   Allowing simultaneous construction of the City College and Balboa Reservoir buildings creates a real risk of theater construction delay due to vehicle congestion as well as cumulative environmental factors. We already know from the EIR that there will be months at a time when trucks will be going in and out of the Balboa Reservoir every 2 to 3 minutes from 9am to 4pm, during the most active hours for City College student access. Further delays may need to be imposed to reduce periods of excessive noise or cumulative air pollution during simultaneous construction. If construction of the Balboa Reservoir development can be postponed, some of the worst cumulative impacts during construction can be averted, and City College won't be forced into another expensive loss imposed by outside forces.

Thank you for your consideration of the preceding points. I hope you will consider the alternatives to approving this development and, at a minimum, delay the start of the Balboa Reservoir construction until after City College concerns have been addressed. As we emerge from this pandemic, City College's ability to provide the transitional training that San Francisco residents will need, makes it clear that this is a time to prioritize access to City College and the educational services that it provides.

Sincerely,

Jennifer Heggie

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Tuesday, July 21, 2020 3:46:20 PM

From: Brett Mosley <info@email.actionnetwork.org>
Sent: Tuesday, July 21, 2020 3:42 PM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is ___________ and I live in the ___________ neighborhood. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

Living in San Francisco, we have an opportunity to reduce our reliance on automobiles in order to reduce greenhouse gas emissions, slow global warming, and reduce automobile congestion in our neighborhoods. This can only be done by encouraging residents to use car-alternatives for getting around our City, whether by walking, biking, and using public transit and minimizing private auto trips. The Reservoir Partners development proposal of 1,100 homes is designed to provide new residents access to modes of transportation that will reduce residents' reliance on cars. The multiple direct pedestrian connections to Ocean Avenue and transit, the new protected bike lanes, bike share docking stations, and bicycle parking all allow people to get around the neighborhood without a car. Car share parking pods and memberships will provide residents with auto options, but along with the unbundled parking associated with the apartments, will help decrease car ownership rates.

In terms of neighborhood transit improvements, the Reservoir development's lengthy planning process and the development's contribution of approximately $10mil for Transportation Sustainability Fees is spurring improvements along Ocean Avenue planned by SFMTA, the Planning Department, and CCSF. As described in their 4/27/20 Community Advisory Committee presentation, SFMTA is proposing to improve the safety and usability of the Geneva/Ocean Avenue intersection as well as west along Ocean Avenue and to reduce delays along the K, 43, and 29 MUNI lines. CCSF is working with the City to

significantly increase the width of the sidewalk along the campus frontage from Frida Kahlo Way east towards the BART and MUNI stations. All of these improvements, and more, will help support the City's Vision Zero plan for Ocean Avenue, making it safer for Ocean Avenue's pedestrians, transit riders, and car drivers, neighbors and shoppers alike. Please support this project.

Brett Mosley
bmosley1015@gmail.com
286 Orizaba Ave
San Francisco, California 94132

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Tuesday, July 21, 2020 3:05:44 PM

From: Julie Doupe <info@email.actionnetwork.org>
Sent: Monday, July 20, 2020 7:55 PM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Julie and I live in the Ingleside neighborhood. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

Given our City’s dire housing crisis and the lack of affordable housing, I support the City’s efforts to provide new housing opportunities for San Franciscans, especially when the new homes are built in places with good transportation access and existing services. The best combination would be new affordable housing for families located near family-friendly amenities, like playgrounds, parks, and child care centers. There currently is not good open space or playgrounds near Ingleside, and this project would help with that tremendously.

The Reservoir Partners development proposal of 1,100 homes includes 550 affordable homes for people earning between 30% and 120% area median income (AMI). These affordable rental homes sized for working families will be built by San Francisco-based non-profits BRIDGE Housing and Mission Housing, along with a handful of for-sale affordable homes built by Habitat For Humanity. One of these rental buildings with approximately 150 apartments will offer prioritized housing for City College educators and staff earning between 80%-120% AMI with a secondary preference for SF Unified School District educators and staff. As with the market-rate apartments being built concurrently, all of these households will have access to the new neighborhood park, dog play areas, and the on-site child-care center that create a strong family friendly environment for future residents and all existing neighbors. Please support this project.

Julie Doupe

juliedoupe@gmail.com
1117 Ocean Avenue
San Francisco, California 94112

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Tuesday, July 21, 2020 3:05:35 PM

From: Andrew Doupe <info@email.actionnetwork.org>
Sent: Monday, July 20, 2020 7:57 PM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Andrew and I live in the Ingleside neighborhood. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

The Reservoir Partners development proposal of 1,100 homes literally at Ocean Avenue’s doorstep has been designed to connect the new residents to retail and services along Ocean Avenue without creating commercial space that would be in competition with the small businesses along Ocean Avenue. In fact, the development has been designed to specially complement the existing and future Ocean Avenue businesses. The walking paths designed along Lee, Brighton, and the Ingleside Library will connect Reservoir residents directly to Ocean Avenue while also enabling neighbors, employees and pedestrians easy access from Ocean Avenue to the Reservoir’s new neighborhood park, dog walking areas, and other open spaces located directly behind Whole Foods. During this time of sheltering-in-place, business stress and future economic uncertainty, the Balboa Reservoir development provides the support of thousands of new customers living in the 1,100 new homes that will be vital to stabilizing all of the small businesses along Ocean Avenue and helping the neighborhood thrive long into the future.

Andrew Doupe
andrew.j.doupe@gmail.com
1117 Ocean Ave
San Francisco, California 94112

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Tuesday, July 21, 2020 3:05:26 PM

From: John Sommerfield <john@sommerfield.com>
Sent: Monday, July 20, 2020 9:16 PM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is _______john Sommerfield ____ and I live in the ___ingleside____ neighborhood. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

Living in San Francisco, we have an opportunity to reduce our reliance on automobiles in order to reduce greenhouse gas emissions, slow global warming, and reduce automobile congestion in our neighborhoods. This can only be done by encouraging residents to use car-alternatives for getting around our City, whether by walking, biking, and using public transit and minimizing private auto trips. The Reservoir Partners development proposal of 1,100 homes is designed to provide new residents access to modes of transportation that will reduce residents' reliance on cars. The multiple direct pedestrian connections to Ocean Avenue and transit, the new protected bike lanes, bike share docking stations, and bicycle parking all allow people to get around the neighborhood without a car. Car share parking pods and memberships will provide residents with auto options, but along with the unbundled parking associated with the apartments, will help decrease car ownership rates.

In terms of neighborhood transit improvements, the Reservoir development's lengthy planning process and the development's contribution of approximately $10mil for Transportation Sustainability Fees is spurring improvements along Ocean Avenue planned by SFMTA, the Planning Department, and CCSF. As described in their 4/27/20 Community Advisory Committee presentation, SFMTA is proposing to improve the safety and usability of the Geneva/Ocean Avenue intersection as well as west along Ocean Avenue and to

reduce delays along the K, 43, and 29 MUNI lines. CCSF is working with the City to significantly increase the width of the sidewalk along the campus frontage from Frida Kahlo Way east towards the BART and MUNI stations. All of these improvements, and more, will help support the City's Vision Zero plan for Ocean Avenue, making it safer for Ocean Avenue's pedestrians, transit riders, and car drivers, neighbors and shoppers alike. Please support this project.

John Sommerfield
john@sommerfield.com
152 Jules Ave
San Francisco , California 94112

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Support Housing at Balboa Reservoir - Case Nos. 200423 and 200740
Date:	Tuesday, July 21, 2020 2:38:31 PM

From: Christopher Pederson <chpederson@yahoo.com>
Sent: Tuesday, July 21, 2020 11:19 AM
To: Fewer, Sandra (BOS) <sandra.fewer@sfgov.org>; MandelmanStaff, [BOS] <mandelmanstaff@sfgov.org>; Walton, Shamann (BOS) <shamann.walton@sfgov.org>; Wong, Linda (BOS) <linda.wong@sfgov.org>
Cc: Yee, Norman (BOS) <norman.yee@sfgov.org>; Low, Jen (BOS) <jen.low@sfgov.org>
Subject: Support Housing at Balboa Reservoir - Case Nos. 200423 and 200740

Dear Chair Fewer and Supervisors Mandelman and Walton:
Given the urgency of the affordable housing crisis and the climate crisis, I urge you to approve the Balboa Reservoir development agreement and purchase and sale agreement to allow the maximum amount of housing evaluated in the EIR, but to amend the development agreement to eliminate or shrink the proposed public parking garage.

Maximize the Amount of Affordable Housing

Given the site's location close to the Balboa Park BART station and multiple Muni routes, its adjacency to City College, and its proximity to the Ocean Avenue neighborhood commercial district, it is an ideal location for genuinely transit- and pedestrian-oriented housing. The severity of the City's affordable housing crisis and the magnitude of the earth's climate crisis mandate that the City maximize the amount of housing, especially affordable housing, on the site and minimize automobile commuting to the area. As the EIR's Response to Comments acknowledges, including more housing in the project would result in lower per capita driving and greenhouse gas emissions. (RTC pg. 4.F-22.)
The Additional Housing Option evaluated in the EIR allows the City to approve a total of 1550 residences on the site, 775 of which would be below-market rate units. The developer's proposal to build only 1100 units (including 550 affordable units) on the site would fail to achieve the project's full potential. The Board should treat the developer's proposal as the absolute minimum amount of housing appropriate for the site. Indeed, any significant reduction in the number of units below the developer's proposal is likely to render the entire project infeasible, depriving the City of sorely needed affordable housing. (See Economic Planning Systems, Memorandum: Financial Feasibility of Balboa Reservoir Project Alternative B, May 12, 2020.)
Because the site is located on an under-used surface parking lot with large institutional uses on two sides, recently built market-rate apartment buildings (including a Whole Foods) on the third side, and the affluent Westwood Park neighborhood on the fourth, the market-rate component of the project does not raise the kinds of concerns about gentrification and displacement that market-rate projects in lower-income neighborhoods can raise. Indeed, to deny or reduce the housing included

in the project would exacerbate housing costs in other parts of the City, thereby increasing risks of displacement and gentrification in low-income neighborhoods.

Some argue that the project should be one hundred percent affordable, but the proposed mixed-income project complies with the affordability goals and requirements of both Proposition Ks from 2014 and 2015. To require the project to be one hundred percent affordable would drain the City's affordable housing resources and would almost certainly result in a substantially smaller project.

Minimize Automobile Commuting by Eliminating Public Parking Garage

Consistent with the EIR's Additional Housing Option, the Board should eliminate the proposed public parking garage. Constructing a new public parking garage is irreconcilable with the City's Climate Action Strategy for 80% of all trips to be by sustainable modes by the year 2030. As the EIR's Response to Comments admits, providing additional parking encourages more automobile commuting and undermines the effectiveness of TDM programs. (RTC pp. 4.C-62-63, 4.H.63-64.)

Given that the Balboa Reservoir site currently functions merely as overflow parking for City College and is mostly empty even when college is in session, there would be little reason to build a public parking garage even if City College hadn't committed to undertaking an aggressive TDM program to reduce automobile commuting.

The City's Transit First policies and its climate change goals mandate minimizing automobile commuting. As the City's experience with managing parking in downtown demonstrates, the single most effective mechanism for reducing automobile commuting is to reduce parking supply.

Alternatively, Shrink the Public Parking Garage and Prohibit Parking Discounts

If the Board allows a public parking garage, it should dramatically reduce its size. The record before the Board includes no justification whatsoever for a massive 450-space parking garage. According to parking surveys, the maximum parking shortfall that might occur during City College's midday peak is 239 spaces. That assumes that changes to parking supply and TDM measures will have absolutely no effect on automobile commuting, which would be a striking deviation from the City's experience elsewhere. Any public parking garage, therefore, should include substantially fewer than 239 spaces in order to avoid undercutting efforts to minimize automobile commuting.

The Board should also prohibit the developer from offering weekly or monthly parking passes and discounted rates for City College users. Planning Code sections 155(g) and 303(t) expressly prohibit multi-day passes or discounts for new parking garages in downtown and mixed-use districts precisely because they encourage automobile commuting. The Board should apply these prohibitions to any public parking garage at the Balboa Reservoir. All users of the parking garage should be required to pay market rates on an hourly or (at most) a daily basis. This change would require amendments to both the Special Use District ordinance and to the Development Agreement (Exhibit J).

Thank you for your consideration of my comments.

Sincerely,

Christopher Pederson

District 7 resident

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: IN SUPPORT - Balboa Reservoir Project Case #s: 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Tuesday, July 21, 2020 2:38:07 PM

From: Connor Skelly <connor.skelly@gmail.com>
Sent: Tuesday, July 21, 2020 12:46 PM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>; Fewer, Sandra (BOS) <sandra.fewer@sfgov.org>
Cc: Yee, Norman (BOS) <norman.yee@sfgov.org>; Low, Jen (BOS) <jen.low@sfgov.org>
Subject: IN SUPPORT - Balboa Reservoir Project Case #s: 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Dear City and County of San Francisco Board of Supervisors Budget and Finance Committee,

My name is Connor Skelly and I'm a homeowner nearby the proposed Balboa Reservoir project. I'm a former SFUSD teacher and I now work at a nonprofit. I have been participating in the community planning process and am writing in support of the development proposal.

Given our City's dire housing crisis and the lack of affordable housing, I support the City's efforts to provide new housing opportunities for San Franciscans, especially when the new homes are built in places with good transportation access and existing services. The best combination would be new affordable housing for families located near family-friendly amenities, like playgrounds, parks, and child care centers. I'm thrilled that the project will be 50% affordable housing, and excited about all the new amenities like the child care center. My family has two children under 2, with hopefully a few more on the way. We hope to use this Child Care Center once it is built.

Honestly, my biggest disappointment about the project is that there are only 1,100 new homes instead of the over 2,000 originally proposed!

Please approve this plan and allow for more neighbors to move into our community.

With gratitude for your service to the city,

Connor Skelly

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Letter in support of Balboa Reservoir
Date:	Tuesday, July 21, 2020 2:36:31 PM

From: Eleanor Cloutier <info@sg.actionnetwork.org>
Sent: Tuesday, July 21, 2020 2:22 PM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Letter in support of Balboa Reservoir

Linda Wong,

I'm a Bay Area resident and would like to register my support for the Balboa Reservoir project.

I work in the city and normally commute in for an hour each day - though that's been disrupted by the pandemic. I know that I'm lucky to only commute for an hour, and that there are so many essential workers who live further out.

We need affordable housing for people in the city, and we need to make sure that workers can afford to live near their jobs.

Balboa Reservoir will be a huge help. The pandemic has shown the importance of childcare and outdoor space, and the Balboa Reservoir plans to have these on the site. I appreciate that great pains have been taken to keep these homes closely integrated with the wider neighborhood - this is a development where everyone will be included.

Placing these homes on the site of the CCSF overflow parking lot is a good use of public land. The City has proceeded wisely in assembling the mix of housing on the site and maximizing the number of affordable homes.

I strongly encourage the Board of Supervisors to endorse this project.

Thank you for taking the time to consider this submission.

Sincerely,

Eleanor Cloutier
elcloutier@gmail.com

12 Bret Harte
Berkeley, California 94708

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Tuesday, July 21, 2020 9:06:53 AM

From: Krishnan Eswaran <info@email.actionnetwork.org>
Sent: Monday, July 20, 2020 10:27 PM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Krishnan Eswaran and I live in the Ingleside neighborhood, at Ocean and Lee. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

The Reservoir Partners development proposal of 1,100 homes literally at Ocean Avenue's doorstep has been designed to connect the new residents to retail and services along Ocean Avenue without creating commercial space that would be in competition with the small businesses along Ocean Avenue. In fact, the development has been designed to specially complement the existing and future Ocean Avenue businesses. The walking paths designed along Lee, Brighton, and the Ingleside Library will connect Reservoir residents directly to Ocean Avenue while also enabling neighbors, employees and pedestrians easy access from Ocean Avenue to the Reservoir's new neighborhood park, dog walking areas, and other open spaces located directly behind Whole Foods. During this time of sheltering-in-place, business stress and future economic uncertainty, the Balboa Reservoir development provides the support of thousands of new customers living in the 1,100 new homes that will be vital to stabilizing all of the small businesses along Ocean Avenue and helping the neighborhood thrive long into the future.

Krishnan Eswaran
krish.eswaran@gmail.com
1117 Ocean Avenue, Unit 308
San Francisco, California 94112

From:	aj
To:	Wong, Linda (BOS); Jalipa, Brent (BOS)
Subject:	Fw: No to a culture of corruption
Date:	Monday, July 20, 2020 9:58:53 PM

Hi Linda, Brent:

Please place the following 6/29/2020 submission into File 200740.

Thanks,
aj

Sent: Monday, June 29, 2020, 11:35:23 PM PDT
Subject: No to a culture of corruption

Land Use & Transportation Committee, Budget & Finance Committee, BOS:

As you should know by now, Planning Commission, SFMTA, and PUC have all approved the necessary elements to facilitate the final approvals of the Balboa Reservoir Project.

You should also know by now that the Reservoir Project's Purchase & Sales Agreement (PSA) gives away 16.4 acres for a pittance, in the dirt-cheap amount of $11.4 Million.

You should furthermore know that the Enacting Ordinance for the Development Agreement, as well as Schedule 2-2 of the Development Agreement itself, forego Administrative Code 23.3's appraisal requirements, which is in direct contradiction to your 2018 Budget & Legislative Analyst Report's recommendation.

The US Attorney and FBI Press Release of 6/24/2020 (incidentally, one day following PUC's approval of the $11.4M sale) regarding corruption in SF City government stated:

He [US Attorney David Anderson] added, "As this investigation continues, the breadth and depth of the identified misconduct is widening. To everyone with a piece of public corruption in San Francisco, please understand that here in federal court we will distinguish sharply between those who cooperate and those who do not. If you love San Francisco, and regret your misconduct, you still have an opportunity to do the right thing. Run, don't walk, to the FBI, before it is too late for you to cooperate."

"Today's announcement is part of a complex, ongoing FBI investigation into public corruption in San Francisco city government," said FBI's Special Agent in Charge John F. Bennett. "This type of unscrupulous behavior erodes trust in our municipal departments and will not be tolerated. The FBI is committed to investigating any individual or company involved and hold them accountable."

Please, don't be foolish enough to be part of giving away public property for cheap in what amounts to be a Privatization Scam.

And please, even if you have no direct involvement, take up the advice of US Attorney Anderson to report what you know about the suspiciously low Reservoir valuation, and the 'who, how, why' of the waiver of Administrative Code 23.3:

".....we will distinguish sharply between those who cooperate and those who do not. If you love San Francisco, and regret your misconduct, you still have an opportunity to do the right thing. Run, don't walk, to the FBI, before it is too late for you to cooperate."

Please don't be a part of a culture of corruption.

Sincerely,

Alvin Ja, D7

From:	aj
To:	Jalipa, Brent (BOS); Wong, Linda (BOS)
Subject:	Missing submissions for File 200740 Sale of PUC Reservoir
Date:	Monday, July 20, 2020 9:30:46 PM
Attachments:	Alvin Ja submissions VALUATION.pdf

Hi Brent and Linda:

In reviewing the public correspondence for 200740, I found only my 7/16/2020 email.

File 200740 is missing many of my submissions that directly address the $11.4 Million sale price of the Reservoir.

For your convenience, I am attaching, in a single PDF file, submissions relating to the sale price submitted between 5/25 and 6/28/2020.

I will be compiling another PDF file to cover my omitted submissions from 6/29 to 7/16/2020, which I will send to you tomorrow.

Sincerely,
Alvin Ja

SUBMISSIONS TO SF GOVERNMENT AGENCIES:

BALBOA RESERVOIR VALUATION

5/25/2020 Sale price of PUC Reservoir--a scandal

Planning Commission, Land Use Committee (File 200422 & 200423), BOS, PUC:

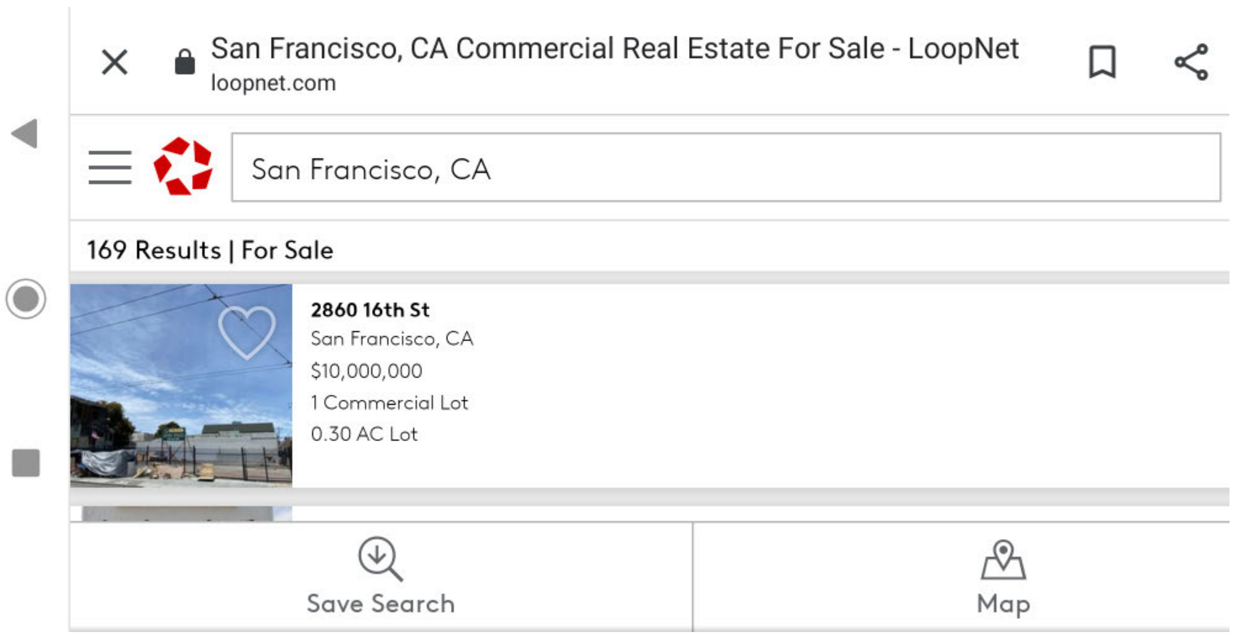
A hidden treasure for the developers is contained in Attachment A, "CEQA Findings" https://commissions.sfplanning.org/cpcpackets/2018-007883GPAPCAMAPDVA.pdf

The hidden treasure is the estimated price of the PUC Reservoir parcel 3180-190.

From page 21 of Attachment A (p. 1231 of the 2,256-page PDF):

"The expected land cost is estimated at approximately $11.2 million."

In comparison a **0.3 acre** lot at 16th/Shotwell is selling for **$10 million**.....while the 17.6 acre PUC parcel is $11.2 million?!



The lot on 24th Street comes to $33.33 million/acre; the Reservoir lot = a mere $ 0.64 million/acre.

The PUC lot's estimated price computes to only **1.9% of the 24th Street** lot on a per acre basis!

Can you say Privatization Scam?!

Alvin Ja, District 7

****

5/30/2020 Scandalous property valuation for Balboa Reservoir Project—Comps

Land Use & Transportation Committee (Files 4200422 & 200423) , Supervisor Yee, BOS, PUC:

INFO REGARDING PROPERTY VALUATION IN RELATION TO BALBOA RESERVOIR:

1. The Balboa Reservoir Final EIR's CEQA Findings that were revealed last week showed that the estimated value of the 17.6 acre PUC property is $11.2 million;

2. A 0.3 acre lot at 16th/Shotwell is going for $10 million;

3. The new City College-Reservoir Project Access Easement Agreement's Lee Extension and North Street's 0.35 acre lot ($15,032 sq ft.) is valued at $3.8 million. Bal. Res., Access Easement agreement, 2020.tiff

Bal. Res., Access Easement agreement, 2020.tiff

Comparing the three properties on a per-square foot basis, from low to high:

Reservoir Project: $ 14.61 /sq ft

Lee Ext, North St: $250. /sq ft

16th/Shotwell: $765. /sq ft

Is something out of whack here?!

--aj

****

6/1/2020 Privatization giveaway price of Reservoir lot--98% discount

Land Use & Transportation Committee (File 200422 & 200423), BOS, PUC, BRCAC:

I've been contending since the beginning of the “public engagement process” that the Project is a privatization scam that uses "affordable housing" as a false advertising ploy.

The 'privatization scam' allegation has now been supported by documentation. The CEQA Finding that was released one week prior to the 5/28/2020 Planning Commission meeting revealed an estimated value for the PUC Reservoir.

Actually, I was surprised that the estimated valuation was even contained in the packet that was prepared by Planning Dept Staff for the Planning Commission meeting. I thought they would keep it secret until PUC sale approval was on deck.

But, whether intentionally or not, they did reveal the estimated valuation for the 17.6 acre Reservoir lot.

For those who missed it, according to the CEQA Findings, the PUC Reservoir's estimated valuation is $11.2 million.

Today, I found another for-sale property that can be used for comparison:

Subject: 636 Capp/21st & 22nd--$618/sq ft

From low to high, I present valuations of four properties:

LOCATION	PRICE	AREA	PRICE/SQ FT
PUC Reservoir	$ 11.2 Million	766,656 sq ft (17.6 acres)	**$ 14.61**
SFCCD Reservoir (Lee Extension, North Street), to be ceded to Reservoir Project	$ 3.8 Million	15,032 sq ft	$253.
636 Capp Street	$ 2.5 Million	4,046 sq ft	$618.
16th Street/Shotwell	$ 10 Million	13,068 sq ft (0.30 acre)	$768.

The Project's price-per-square foot is $14.61. This is a mere 2% of market rate.

The $11.2 Million sweetheart deal for the privatization scam must be opposed.

Gifting Avalon Bay a 98% discount off the actual land value will be criminal negligence and/or corruption by City Officials.

Do not be corrupted by developer forces.

Alvin Ja, District 7

****

6/9/2020 Balboa Reservoir Appraisal Required by Adm Code 23.3

PUC, Land & Transportation Committee, BOS, BRCAC, City Attorney:

In previous submittals I had raised the issue of the $ 11.2 Million valuation of the PUC Reservoir. It's a valuation that had been kept a secret from the public until about 5/21/2020......And even then, it was still hidden deep within a 2,256-page Planning Commission packet.

This $ 11.2 Million estimated valuation for the 17.6 acre (766,656 sq ft) equates to $14.61 per square foot.

INDEPENDENT, OBJECTIVE APPRAISAL REQUIRED
$14.61 per square foot pricing for the Reservoir parcel constitutes a 98% discount off market rate. This valuation is highly suspect in its provenance (backroom pay to play deal?) and requires an objective appraisal to avoid the public getting ripped off.

In line with the dubious $ 11.2 Million valuation, Administrative Code 23.3 REQUIRES an appraisal:

If the Director of Property determines the fair market value of Real Property that the City intends to Acquire or Convey exceeds $10,000 and the proposed Acquisition is not a donation, the Director of Property ***shall obtain an Appraisal*** *for the Real Property.*

Despite an objective need and Administrative Code requirement for an independent and objective appraisal of the 17.6 acre parcel, you as the Board of Supervisors, are being asked to approve the following language on page 10 of the proposed Development Agreement Ordinance which purposefully violates 23.3:
The Board of Supervisors finds that due to current exigencies, the number of analyses of the Project that have been conducted, and the depth of analysis and sophistication required to appraise the Project Site, an Appraisal Review of the Project Site is ***not necessary and waives the Administrative Code Section 23.3 requirement*** *of an Appraisal Review as it relates to the Project Site.*

CORRUPTION INVESTIGATION NEEDED
"Not necssary?!....Waive a requirement!? This is manifestation of pure criminality and corruption.

City Attorney Herrera:

Please initiate a full investigation of corruption in this Privatization Scam.

Alvin Ja, District 7

****

6/11/2020 Balboa Reservoir Appraisal Required by Adm Code 23.3

District Attorney Boudin:

Buried deep within a 2,256-page PDF Planning Commission packet was the estimated valuation of the 17.6 acre PUC Reservoir of $ 11.2 Million.

$ 11.2 Million for 17.6 acres is the equilivalent of $14.61 per square foot. This is a 98% discount off market-rate to benefit the private developer. This smells like corruption.

Please launch an investigation into possible corruption within City offices in relation to the Balboa Reservoir Project.

Administrative Code 23.3 requires objective appraisal. The Development Agreement willfully violates 23.3, contending that appraisal "is not necessary" and waives the requirement. Please refer to the email, below.

Sincerely,

Alvin Ja, District 7

----- Forwarded Message -----

From: aj <ajahjah@att.net>

Sent: Tuesday, June 9, 2020, 06:50:28 PM PDT

Subject: Balboa Reservoir Appraisal Required by Adm Code 23.3

PUC, Land & Transportation Committee, BOS, BRCAC, City Attorney:

In previous submittals I had raised the issue of the $ 11.2 Million valuation of the PUC Reservoir. It's a valuation that had been kept a secret from the public until about 5/21/2020......And even then, it was still hidden deep within a 2,256-page Planning Commission packet.

This $ 11.2 Million estimated valuation for the 17.6 acre (766,656 sq ft) equates to $14.61 per square foot.

INDEPENDENT, OBJECTIVE APPRAISAL REQUIRED

$14.61 per square foot pricing for the Reservoir parcel constitutes a 98% discount off market rate. This valuation is highly suspect in its provenance (backroom pay to play deal?) and requires an objective appraisal to avoid the public getting ripped off.

In line with the dubious $ 11.2 Million valuation, Administrative Code 23.3 REQUIRES an appraisal:

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The Board of Supervisors finds that due to current exigencies, the number of analyses of the Project that have been conducted, and the depth of analysis and sophistication required to appraise the Project Site, an Appraisal Review of the Project Site is ***not necessary and waives the Administrative Code Section 23.3 requirement*** *of an Appraisal Review as it relates to the Project Site.*

CORRUPTION INVESTIGATION NEEDED

"Not necssary?!....Waive a requirement!? This is manifestation of pure criminality and corruption.

City Attorney Herrera:

Please initiate a full investigation of corruption in this Privatization Scam.

Alvin Ja, District 7

****

Supervisors Haney, Mar and any others Supervisors who stand against a "culture of corruption" in City offices:

Please dig into the Balboa Reservoir Bait & Switch Privatization Scam. Far from being a Public-Private Partnership in which market-rate units will be subsidizing affordable units, the exact opposite is the reality.

$124.4 Million public funding, in addition to a $11.2 Million giveaway price (with required independent appraisal bypassed!) for the Reservoir parcel, will be subsidizing Avalon Bay/Reservoir Community Partners LLC.

--aj

----- Forwarded Message -----
From: aj <ajahjah@att.net>
To: Donna Hood <dhood@sfwater.org>; Major Erica (BOS) <erica.major@sfgov.org>; Board of Supervisors

Sent: Friday, June 12, 2020, 11:17:37 PM PDT
Subject: EPS Feasibility Memo: Evidence of the myth of 'market-rate housing subsidizing affordable units'

PUC, Land Use & Transportation Committee, BOS, BRCAC, Planning Commission:

Subject: EPS Feasibility Memo--Evidence of the myth/deception of market-rate housing subsidizing affordable units

Page 1250 of the 2256-page Planning Commission packet https://commissions.sfplanning.org/cpcpackets/2018-007883GPAPCAMAPDVA.pdf contains an EPS Feasibility Memo. Within the Memo is a "Table 1." Table 1 is essentially a profit-loss statement for the Reservoir Project.

Table 1 has two sections:

- **Uses** (equivalent to 'Expenditures' plus 'Profit' of a standard profit/loss statement),
- **Sources** (equivalent to 'Revenue' of a standard P/L statement)

Table 1 is not in a standard profit/loss statement format.

Here, for clarity and transparency, I present Table 1 in a standard profit/loss statement format. Additionally, I have returned the $40 Million CA grants (from MHP and AHSC Programs) amount back to the Revenue section where it belongs...instead of the $40M amount being hidden in a footnote in Table 1: Reservoir Project--EPS Feasibility Memo Profit-Loss Sheet

Reservoir Project--EPS Feasibility Memo Profit-Loss Sheet

Sheet1 REVENUE (Sources) ...

The "Affordable Housing Program" (Exhiibit D of the Development Agreement, on p. 1580 of 2256-page Planning Commission packet) specifies the City's Affordable Funding Share to be $239K per unit. Thus for 187 City-subsidized units, RCP will receive $44.693 Million (187 units X $239K).

It is unclear if "Uses" in Table 1 includes the costs for the 187 "additional affordable" City-subsidized units.

Neither does Table 1 include the $44.7 Million that Reservoir Community Partners is expecting to receive from the "City's Affordable Funding Share."

Despite the unclarity in Table 1, the "Affordable Housing Program" of the Development Agreement states:

Developer will cause at least 50% of the total number of dwelling units constructed on the Project Site to be Affordable Units. Developer will be responsible for the pre-development, planning, permitting, construction, and management of all
Affordable Units. The Parties agree that the Project's ability to achieve an overall affordability level of 50% is predicated on Developer's receipt of City's Affordable Funding Share.

THE MYTH/DECEPTION OF MARKET-RATE HOUSING SUBSIDIZING AFFORDABLE UNITS

The Reservoir Project has been promoted as 550 units subsidzing 550 affordable units. With the recent release of the Development Agreement, this can be shown to be a myth and to be deceptive advertising.

The EPS Feasibility Memo and Development Agreement provides evidence for fact that the affordable units will be subsidized by public monies. State and City funding is expected to total $124.2 Million:

- $79.5 M from State grants

- $39.5M from Statewide Park Program (SPP) and Infill Infrastructure Grant (IIG) Program,
- $40.0M from Multifamily Housing Program (MHP) and Affordable Housing & Sustainable Communities Program (AHSC);

- $44.7 M from "City's Affordable Funding Share."

PROPORTION OF PUBLIC FUNDING FOR PROJECT: 55-69%
Because of the unclarity of whether Table 1 covers the 187 City-subsidized units or not, here are two calculations: 1) for the Table 1 "Uses" figures that would cover all 550 units; 2) for the Table 1 "Uses" figures that would cover only the Developer's 363 affordable units:

In both cases, public sources of funds total $124.2 Million ($39.5M + $40M + $44.7M)

The proportion of public monies for the Project depends on whether or not the Table 1 figures cover the 187 City-subsidized units:

1. If 187 City-subsidized units are covered: $124.2M / $180.6M cost = **69%**
2. If 187 City units are not covered: $124.2M / ($180.6M + $44.7M) = **55%**

So in either case, well over half (55- 69%) of the funding of affordable units will be paid for with public monies ,while Avalon Bay will get **at least half or more** of the total number of units.

From this, it should be evident that, in reality, the public will be subsidizing the private developer by:

- Privatization of public land, which will be given up in perpetuity for a scandalous 98%-discounted price of $11.2 Million;
- Instead of the marketing sweet-talk of affordablility "in perpetuity", affordability will only be assured for 57 years.

I urge all Supervisors to resist the temptations that the private developers dangle in front of you. Don't be a party to corruption and privatization of public lands at a giveaway price.

Sincerely,
Alvin Ja, District 7

****

6/18/2020 Valuation of Balboa Reservoir--Still scandalous

PUC Commissioners:

The estimated valuation for the PUC Reservoir was released in documents provided for the Planning Commission's May 28,2020 meeting.

The valuation was very well hidden. The $11.2 Million valuation was contained deep within the 2,256-page PDF document provided to the Planning Commission. Curiously, the valuation was not contained in any of the Executive Summaries.

There's another curious point in the 2256-page PDF document. The 2256-page PDF contains the proposed Ordinance for the approval of the Development Agreement. The proposed Ordinance curiously "waives" Administrative Code 23.3's requirement for an appraisal......as being unneeded.

JUNE APPRAISAL
Apparently, 'the powers-that-be' have figured out that it would be better to have an appraisal to justify the Reservoir Project Privatization Scam, since the estimated valuation and the waiver of Section 23.3 had been uncovered/exposed.

The material released today (6/18) for the June 23 PUC meeting now shows that an appraisal was just done in June--this month. This more recent valuation shows a valuation of $11.4 Million for 16.4 acres (714,637 sq ft.) This hurry-up June appraisal kicks up the valuation somewhat: From $14.61/sq ft. to $15.95/ Sq ft.

$15.95/ Sq ft. is still ridiculously and scandalously low. Whatever lame "community benefits" that are touted as justification for the low price can't legitimize the giveaway price that benefits the private for-profit developer.

FRANCISCO RESERVOIR
PUC Resolution 14-0113 (7/8/2014) authorized the sale of Francisco Reservoir to the Park & Rec Dept. This was a sale of PUC property to another **public agency**.

Francisco Reservoir's 3.29 acres was sold to Rec &Park for $9.9 Million. This equated to $69.06/sq ft in 2014.

BALBOA RESERVOIR vs. FRANCISCO RESERVOIR
Does it make any sense that a **private developer would**, on a price per square foot basis, **pay only 23.1% of what a public agency had to pay 6 years ago?!** Can you spell "corruption"?

CURRENT COMPARABLES
I've already documented in detail how the Reservoir Project is actually a privatization scam. It's a Bait & Switch scam in which the marketing hype and PR diverges from the actual terms contained in the Development Agreement. Please review those earlier submissions.

For your convenience, I will just provide herein a comparative Table that was contained in an earlier submission. It has been updated to reflect the newer information contained in the 6/23 PUC meeting material.

The updated $15.95/sq ft price is still a 98% discount off the market.

I, along with many others, urge you to vote against this giveaway of Public land to the private sector.

Do not subsidize Avalon Bay with public land and public monies.

LOCATION	PRICE	AREA	PRICE/SQ FT
PUC Reservoir (updated 6/18/2020)	$ 11.4 Million	714,637 sq ft **(16.4 acres)**	**$ 15.95**
SFCCD Reservoir (Lee Ext, North Street), Ceded to Reservoir Project in 2020	$ 3.8 Million	15,032 sq ft	$253.
636 Capp Street	$ 2.5 Million	4,046 sq ft	$618.
16th Street/Shotwell	$ 10 Million	13,068 sq ft (0.30 acre)	$768.

Sincerely,

Alvin Ja, District 7

****

6/20/2020 Another comparison: sale of Burnett parcel, PUC Res 17-0088 (4/25/2017)

PUC Commissioners:

The proposed sale price of the Reservoir to Reservoir Community Partners is highly suspect.

In a previous submission I had presented the price per sq ft for the 2014 sale of the Francisco Reservoir to the Recreation & Park Dept, another public agency.

Here, I provide another comparison:

PUC Resolution 17-0088 (4/25/2017) sold PUC's Block 2719C Lot 23, a 3,429-sq ft "steep and irregularly undeveloped" parcel, located near 411 Burnett to a private party.

An appraisal was performed by Associated Right of Way Services, Inc:

The $1,500,000 sales price is based on a 2015 appraisal report by MAI appraiser Associated Right of Way Services (ARWS). The ARWS report stated that the fair market value at SFPUC Parcel at $1,200,000 and the combined SFPUC Parcel and SFPW Parcel at $1,500,000.

The PUC parcel 2719C-23 had an area of 3,429 square feet and was appraised at $1.2 Million:

This computes to $349.96/ sq ft for a steep, irregularly shaped parcel ($1.2M / 3429 sq ft = $349.96 / sq ft).

By any reasonable measure, the valuation for the sale to the private, for-profit Avalon Bay joint venture at $15.95 / sq ft is way out of whack.

Do not give away the Reservoir in this Privatization Scam.

Do not be a party to corruption between developers and City officials.

Sincerely,
Alvin Ja, District 7 ratepayer

****

6/21/2020 Comment on Chron article: "S.F. to sell housing site at big discount." (with SFCCD appraisal attachment)

PUC Commissioners, Land & Transportation Committee, BOS:

The fact that the City & County is willing to part with the PUC at a scandalously low price has finally hit the Chron. The Chron carried a story today on the sale price of the Reservoir, "S.F. to sell housing site at big discount."

1. The article's "50% discount from fair market value" is but an opinion provided by Clifford Advisory. Objectively, the discount is much larger. According to Investopia: *"In its simplest sense, fair market value (FMV) is the price that an asset would sell for on the open market."*

On the open market, a $11.4 Million price tag would invite a feeding frenzy from potential buyers. On the open market, the price would be bid much, much higher than $15.95/sq ft. Even doubling it to $32/ squ ft would still be far off the mark in the open market.

Although hidden from public view until now, a scandalously low price was in all likelihood a 'wink, wink, nod, nod' understanding in backroom dealings from many years ago.

2. City College is being asked to cede property for the Reservoir Project's Lee Avenue Extension and North Street. An appraisal was performed for the transfer which equated to $250/ sq ft. (Appraisal attached). Compare this to the PUC Reservoir Purchase and Sale Agreement at $15.95/ sq ft.

3. The article says that 366 affordable units will cost the developers about $91.5 Million. What the article fails to inform the reader is that a Financial Feasibility Memo conducted by Economic & Planning Systems, Inc. Reservoir Project--EPS Feasibility Memo Profit-Loss Sheet shows that the developers expect to receive $79.5 Million in State grants for 363 (not 366) units: $39.5M from CA Statewide Park Program & CA Infill Infrastructure Grant Program; and $40M from CA Multifamily Housing Program & CA Affordable Housing & Sustainable Communities Program. What this means is that **87%** of the developers share of 363 units of affordable housing will be paid for with **public funds** anyway!

[redacted]

Reservoir Project--EPS Feasibility Memo Profit-Loss Sheet

Sheet1 REVENUE (Sources) ...

4. How long will affordability last? Contrary to the deceptive advertising of "permanent" affordablility, the Development Agreement states:

Affordability Restrictions.

(a) Each Affordable Parcel will be subject to a recorded regulatory agreement approved

by MOHCD to maintain affordability levels for the life of the Project or fifty-seven (57) years,

5. To make sure that this Privatization Scam goes through without too many problems, the Development Agreement's Schedule 2-2, Schedule of Code Waivers will bypass Administrative Code 23.3's REQUIREMENT for appraisal review:

In recognition of the Fiscal Feasibility Report adopted by the Board of Supervisor as Resolution 85-18 and the depth of analysis and sophistication required to appraise the Project Site in connection with the sale of the Project Site, the Appraisal Review required

by Section 23.3 is waived.

What kind of sophistry is this?! So an Appraisal Review is not needed because it's too hard to do?! This is f......g bullshit! And in regard to the BOS Budget Analyst Fiscal Feasibility Report, see my next item.

6. The BOS Budget Analyst's Fiscal Feasibility Report questioned ownership of the 17% "additional affordable."

The Development Agreement requires the City to pay for the 17% "additional affordable," Yet the Development Agreement does not give ownership of the 187 "additional affordable" units or of the land to the City & County which is paying for it! Furthermore, affordability restrictions on these unit end in 57 years!

> *Also, ownership of the land on which the additional 17 percent of affordable housing would be built has not been defined. The Mayor's Office of Housing and Community Development (MOHCD) could potentially own the land and enter into long term ground leases with affordable housing developers, which is the current practice of MOHCD. The Board of Supervisors should request MOHCD to report back to the Board of Supervisors early in the process of negotiations between the City and Reservoir Community Partners on...(b) whether the City will own any land on which 100 percent affordable housing developments are*

constructed; and (c) conformance of the additional 17 percent affordable housing units to City policy and requirements.

7. The Reservoir Project has been effectively marketed as providing a big contribution to address our housing crisis. However the deceptive marketing diverges from the actual terms of the Development Agreement.

From this, it should be evident that, in reality, the public will be subsidizing the private developer by:

- Privatization of public land, which will be given up in perpetuity for a scandalous 98%-discounted price of $11.4 Million;
- Instead of the marketing sweet-talk of affordablility "in perpetuity", affordability will only be assured for 57 years.
- Providing $124.2 Million in public monies ($79.5M from State and $ 124.2M from "City's Affordable Share") to fund the cost of 550 affordable units.
- Avalon Bay will be essentially be getting 550 market-rate units for free, plus practically free land from us, the 99%.......in exchange for 363 affordable-for-57-year units, for which 87% of costs will come from public funds.

Hiding the giveaway price of the PUC Reservoir until your 6/23/2020 meeting is highly suspicious. In any transaction, isn't common sense to ask about price in the early stages of any transaction?

The fact that price has been hidden until now points to there being a culture of corruption in high places in SF Government. You need to recognize that the Reservoir Project is objectively a Privatization Scam but deceptively and falsely marketed as "market-rate subsidizing affordable." Facts should matter to you in your deliberations, not deceptive advertising.

Don't be a party to corruption and privatization of public lands at a giveaway price.

Sincerely,
Alvin Ja, D7 ratepayer
****

6/22/2020 Fair market value of PUC Reservoir

PUC, Land & Transportation Committee, BOS:

Chron's JK Dineen wrote yesterday about selling the Reservoir at a "bargain-basement price."

The Purchase and Sale Agreement would sell the Reservoir at $15.95/ sq ft which the Avalon Bay joint venture would own in perpetuity. You cannot even get a one-month rental for anything at $16/ sq ft!

Clifford Advisory's appraisal of the PUC property at $11.4 Million is a concocted valuation. A valid real estate fair market valuation (FMV) is supposed to reflect its value on the open market. An FMV that is arrived at as a result of collusion and collaboration is not a valid FMV.

FMV is supposed to be arrived at in an "arm's length transaction." The PSA's FMV of $11.4 Million fails this standard.

ATTEMPTED CIRCUMVENTION OF APPRAISAL and APPRAISAL REVIEW (Adm Code 23.3)

Indicative of the corruption and collusion in the entire Balboa Reservoir Project process is the fact the Ordinance for the Development Agreement, as well as the DA's own Schedule 2-2 "Waiver of Codes" call for circumventing Administrative Code 23.3's REQUIREMENT for appraisal and appraisal review.

The intent of City officials was to sneak through the bargain-basement price without ANY appraisal. The Clifford Advisory appraisal was commissioned only because the scandalously low price had unexpectedly been identified by the public deep within a 2256-page PDF Planning Commission packet.

The Clifford Advisory appraisal was only commissioned in June......only a few weeks prior to the PUC meeting. The purpose of the Clifford Advisory appraisal was essentially an attempt to cover tracks.

Here, I provide you with definitions of "Fair Market Value" and "arm's length transaction."

Redfin:

Definition of Fair Market Value

Fair market value is the home price that a buyer and seller in an **arm's-length transaction** would be willing to agree upon on the open market. For example, if a son buys a home from his mother at an unusually low price, that price is not the fair market value because it was not an arm's-length transaction. The mother would sell the home at a much higher price if she sold it on the open market to an unrelated buyer.

Investopedia:

What Is an Arm's Length Transaction?

An arm's length transaction refers to a business deal in which buyers and sellers act independently without one party influencing the other. These types of sales assert that both parties act in their own self-interest and are not subject to pressure from the other party; furthermore, it assures others that there is **no collusion between the buyer and seller.**

If nothing else, this should ring alarms in your head about the validity of the Clifford Advisory appraisal. Secondly, this should have you wondering why language that bypasses both appraisal and appraisal review would appear in the DA Ordinance, and the Development Agreement itself.

What kind of alarms?......CORRUPTION.

The main way FMV's are arrived at are via "comps." How does the Balboa Reservoir's $15.95/ sq ft compare with:

- Francisco Reservoir to Rec & Park, 2014-- $69.06/ sq ft
- SFCCD Lee Extension & North Road to Reservoir Project, 2020 --$250/ sq ft
- 636 Capp -- asking $618/ sq ft
- 16th/Shotwell-- asking $768/ sq ft

Please don't join the culture of corruption in City offices. Do not approve the bargain-basement PSA.

If you're willing to sell it for cheap, sell to City College, instead. Not to a private, for-profit joint venture.

Sincerely,

Alvin Ja, D7 ratepayer

****

6/28/2020 BOS Budget & Legislative Analyst Report vs. Reservoir Development Agreement

Land Use and Transportation Committee, Budget & Finance Committee, BOS:

The enacting Ordinance for the Development Agreement states:

The Board of Supervisors finds that due to current exigencies, the number of analyses of the Project that have been conducted, and the depth of analysis and sophistication required to appraise the Project Site, an Appraisal Review of the Project Site is not necessary and waives the Administrative Code Section 23.3 requirement of an Appraisal Review as it relates to the Project Site.

Schedule 2-2 of the Development Agreement states:

> *In recognition of the Fiscal Feasibility Report adopted by the Board of Supervisor as Resolution 85-18 and the depth of analysis and sophistication required to appraise the Project Site in connection with the sale of the Project Site, the Appraisal Review required by Section 23.3 is waived.*

Resolution 85-18's Budget & Legislative Analyst's Fiscal Feasibility Report is cited to support bypassing Appraisal Review. However, the Budget & Legislative Analyst Report says the exact opposite. This is what the 3/9/2018 Report **really** says:

> *The price that Reservoir Community Partners will pay SFPUC to acquire the site will be informed by a cash flow analysis that takes into account the development's 33 percent affordability requirement, and by an independent appraisal and appraisal review conducted in accordance with the requirements set out in Administrative Code Chapter 23.*
>
> *RECOMMENDATION: Preparation of a rigorous, independent cash flow analysis...to ensure that land price paid to SFPUC ...are maximized.*

The Budget & Legislative Analyst Report affirmatively calls for compliance with the requirements of Administrative Code 23.3 to protect the public interest. Instead, the Enacting Ordinance and the Development surrenders the public interest to by gifting public land to a private developer joint venture for dirt cheap.

Do not approve the enacting Ordinance for the Development Agreement. Do not waive the requirement of Administrative Code 23.3 for independent, objective Appraisal Review.

Protect the public interest. Do not be a party to a corrupt permanent giveaway of public land at $15.95 per square feet.

Alvin Ja, D7

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Please oppose the Balboa Reservoir Project: 1. it''s corporate welfare; 2. it''s damaging to CCSF; 3. It''s chasing the wrong housing solution
Date:	Monday, July 20, 2020 5:22:55 PM

From: Jason Jungreis <jasonjungreis@gmail.com>
Sent: Monday, July 20, 2020 5:19 PM
To: Major, Erica (BOS) <erica.major@sfgov.org>; dgonzales@ccsf.edu; lmilloy@ccsf.edu; ivylee@ccsf.edu; swilliams <swilliams@ccsf.edu>; ttemprano@ccsf.edu; davila <davila@sfsu.edu>; alexrandolph <alexrandolph@ccsf.edu>; jrizzo@ccsf.edu; tselby <tselby@ccsf.edu>; studenttrustee@mail.ccsf.edu; Haney, Matt (BOS) <matt.haney@sfgov.org>; MandelmanStaff, [BOS] <mandelmanstaff@sfgov.org>; Mar, Gordon (BOS) <gordon.mar@sfgov.org>; Peskin, Aaron (BOS) <aaron.peskin@sfgov.org>; Preston, Dean (BOS) <dean.preston@sfgov.org>; Fewer, Sandra (BOS) <sandra.fewer@sfgov.org>; Ronen, Hillary <hillary.ronen@sfgov.org>; Safai, Ahsha (BOS) <ahsha.safai@sfgov.org>; Stefani, Catherine (BOS) <catherine.stefani@sfgov.org>; Walton, Shamann (BOS) <shamann.walton@sfgov.org>; Yee, Norman (BOS) <norman.yee@sfgov.org>; Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Please oppose the Balboa Reservoir Project: 1. it's corporate welfare; 2. it's damaging to CCSF; 3. It's chasing the wrong housing solution

All,

I am writing to oppose the Balboa Reservoir Project which you will soon be voting on. It is a bad deal, and a bad idea, and fundamentally the wrong solution. You need to just do the work to make the correct solutions -- that are already in the pipeline! -- happen sooner (or not, given Covid's demand suppression).

First, the City is about to sell the Balboa Reservoir, which is public land, to a corporate housing developer whose CEO makes $10M/year. The developer claims that by building 550 market rate units it will be able to subsidize an additional 550 affordable, or below market rate units, but in reality, it is mainly city and state funds that will subsidize the affordable units. Even worse, the City is selling the land at a deep discount to this private developer. This is a subsidy for a wealthy corporation with tax payer's dollars. It's a sweetheart deal, corporate welfare at its worst and should not be tolerated.

Second, it's not the land in question is useless. Projections show the growth of City College, and City College needs to plan its construction of better buildings for the future. Moreover, it disregards the overwhelming support for Prop A ($845 M Bond for CCSF), shows SF voters desire the development and expansion of CCSF, and Balboa Reservoir is critical for CCSF's growth.

Third, and mostly, the better arguments are these three issues:
1. San Francisco has about 65,000 housing units approved for construction. This is enough to house 130,000 new San Franciscans. And that is PLENTY for our natural growth and our available infrastructure.
2. More housing in and of itself is a formula for terrible efficiency. Planned communities are a formula for excellent efficiency. San Francisco's larger development plans should be built, as they are logical, efficient, self-contained planned communities, not a jumble.
3. The Board has done zippo, nada, nothing to promote the prompt development of Hunter's Point, Lake Merced, Treasure Island, and the many other large-scale developments that are in the pipeline for approved construction. This is a problem the Board can and should address. It is NOT a problem of a need for yet-more construction approvals -- it is a simple but classic problem of getting stuff done.

Please oppose this project. Say No to Corporate Welfare – Yes to CCSF. And get to work on the real work of getting buildings built.

Sincerely,

Jason Jungreis
527 47th Avenue
San Francisco

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Support for: Balboa Reservoir Project
Date:	Monday, July 20, 2020 4:27:50 PM
Attachments:	Balboa Reservoir- Board of Suppervisors Budget Committee Community Support letter template - Final (2).docx

From: Mary Harris <maryharris_sf@outlook.com>
Sent: Monday, July 20, 2020 4:27 PM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>; Fewer, Sandra (BOS) <sandra.fewer@sfgov.org>; Yee, Norman (BOS) <norman.yee@sfgov.org>; Low, Jen (BOS) <jen.low@sfgov.org>
Cc: Walton, Shamann (BOS) <shamann.walton@sfgov.org>; Mandelman, Rafael (BOS) <rafael.mandelman@sfgov.org>; Nora Collins <nora_collins@avalonbay.com>; Scott Falcone <scott@falconedevelopment.com>; Sam Moss <smoss@missionhousing.org>
Subject: Support for: Balboa Reservoir Project

Dear Budget & Finance Committee Members,
Attached is OMI Neighbors in Action Letter of Support for the Balboa Reservoir Development Proposal.
Thank you for your time and attention, Mary C. Harris, President OMI NIA

July 20, 2020

OMI Neighbors in Action… a community organization of neighbors helping neighbors

To: City and County of San Francisco Board of Supervisors Budget and Finance Committee

Re: Balboa Reservoir Project Case #s: 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Sent via e-mail to:

Assistant Clerk at linda.wong@sfgov.org

Committee Chair at sandra.fewer@sfgov.org

CC: Supervisor Walton: Shamann.Walton@sfgov.org

Supervisor Mandelman: RafaelMandelman@sfgov.org

Board Chair at norman.yee@sfgov.org and jen.low@sfgov.org

Dear Supervisors Fewer, Walton, and Mandelman:

My name is Mary Harris and I am the President of OMI Neighbors in Action. We have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Budget and Finance Committee on July 29, 2020.

Affordable Housing and Family Friendly Amenities

Given our City's dire housing crisis and the lack of affordable housing, We support the City's efforts to provide new housing opportunities for San Franciscans, especially when the new homes are built in places with good transportation access and existing services. The best combination would be new affordable housing for families located near family-friendly amenities, like playgrounds, parks, and child care centers.

The Reservoir Partners development proposal of 1,100 homes includes **550 affordable homes** for people earning between 30% and 120% area median income (AMI). These affordable rental homes sized for working families will be built by San Francisco-based non-profits BRIDGE Housing and Mission Housing, along with a handful of for-sale affordable homes built by Habitat For Humanity. One of these rental buildings with approximately 150 apartments will offer prioritized housing for City College educators and staff earning between 80%-120% AMI with a secondary preference for SF Unified School District educators and staff. As with the market-rate apartments being built concurrently, all of these households will have access to the new neighborhood park, dog play areas, and the on-site child-care center that create a strong family friendly environment for future residents and all existing neighbors.

The new **Reservoir Child Care Center**, located at the Brighton Paseo entrance to the Reservoir from Ocean Avenue, will offer 100 spaces for children living either in the new Reservoir homes and from the surrounding neighborhoods. Importantly, up to half of the childcare spaces will be offered at subsidized rates for low-income families. The design of the outdoor space dedicated as part of the child care center and the easy drop-off and pick-up access within the Reservoir and from the adjacent neighborhoods make the new childcare center a very valuable addition to the neighborhood.

The new **Reservoir Community Park**, located at the heart of the Balboa Reservoir, includes 2 acres of programmed areas and open space plantings all connected via nicely landscaped pathways to the other smaller open spaces throughout the Reservoir. The park includes active playground and grassy areas for children's play along with a gazebo and benches for more passive relaxation. California native plants and other non-water intensive vegetation will be chosen for the larger natural planted areas and as borders for the pathways throughout the property. Multiple dog play areas will be available at different locations on the Reservoir for easy access to the existing neighbors from Sunnyside, Ingleside and Westwood Park along with the new residents.

Transit/Car Alternatives

Living in San Francisco, we have an opportunity to reduce our reliance on automobiles in order to reduce greenhouse gas emissions, slow global warming, and reduce automobile congestion in our neighborhoods. This can only be done by encouraging residents to use car-alternatives for getting around our City, whether by walking, biking, and using public transit and minimizing private auto trips. The Reservoir Partners development proposal of 1,100 homes is designed to provide new residents access to modes of transportation that will reduce residents' reliance on cars. The multiple direct pedestrian connections to Ocean Avenue and transit, the new protected bike lanes, bike share docking stations, and bicycle parking all allow people to get around the neighborhood without a car. Car share parking pods and memberships will provide residents with auto options, but along with the unbundled parking associated with the apartments, will help decrease car ownership rates.

In terms of neighborhood transit improvements, the Reservoir development's lengthy planning process and the development's contribution of approximately $10mil for Transportation Sustainability Fees is spurring improvements along Ocean Avenue planned by SFMTA, the Planning Department, and CCSF. As described in their 4/27/20 Community Advisory Committee presentation, SFMTA is proposing to improve the safety and usability of the Geneva/Ocean Avenue intersection as well as west along Ocean Avenue and to reduce delays along the K, 43, and 29 MUNI lines. CCSF is working with the City to significantly increase the width of the sidewalk along the campus frontage from Frida Kahlo Way east towards the BART and MUNI stations. All of these improvements, and more, will help support the City's Vision Zero plan for Ocean Avenue, making it safer for Ocean Avenue's pedestrians, transit riders, and car drivers, neighbors and shoppers alike.

Small business and Commercial support

July 20, 2020

The Reservoir Partners development proposal of 1,100 homes literally at Ocean Avenue's doorstep has been designed to connect the new residents to retail and services along Ocean Avenue without creating commercial space that would be in competition with the small businesses along Ocean Avenue. In fact, the development has been designed to specially complement the existing and future Ocean Avenue businesses. The walking paths designed along Lee, Brighton, and the Ingleside Library will connect Reservoir residents directly to Ocean Avenue while also enabling neighbors, employees and pedestrians' easy access from Ocean Avenue to the Reservoir's new neighborhood park, dog walking areas, and other open spaces located directly behind Whole Foods. During this time of sheltering-in-place, business stress and future economic uncertainty, the Balboa Reservoir development provides the support of thousands of new customers living in the 1,100 new homes that will be vital to stabilizing all of the small businesses along Ocean Avenue and helping the neighborhood thrive long into the future.

Sincerely,

Mary C. Harris, President OMI NIA

65 Beverly St. SF, CA 94132

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Monday, July 20, 2020 3:23:22 PM

From: Claire Kostohryz <info@email.actionnetwork.org>
Sent: Monday, July 20, 2020 2:36 PM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Claire Kostohryz and I live in the Bay Area. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

Living in they Bay, we have an opportunity to reduce our reliance on automobiles in order to reduce greenhouse gas emissions, slow global warming, and reduce automobile congestion in our neighborhoods. This can only be done by encouraging residents to use car-alternatives for getting around our City, whether by walking, biking, and using public transit and minimizing private auto trips. The Reservoir Partners development proposal of 1,100 homes is designed to provide new residents access to modes of transportation that will reduce residents' reliance on cars. The multiple direct pedestrian connections to Ocean Avenue and transit, the new protected bike lanes, bike share docking stations, and bicycle parking all allow people to get around the neighborhood without a car. Car share parking pods and memberships will provide residents with auto options, but along with the unbundled parking associated with the apartments, will help decrease car ownership rates.

In terms of neighborhood transit improvements, the Reservoir development's lengthy planning process and the development's contribution of approximately $10mil for Transportation Sustainability Fees is spurring improvements along Ocean Avenue planned by SFMTA, the Planning Department, and CCSF. As described in their 4/27/20 Community Advisory Committee presentation, SFMTA is proposing to improve the safety and usability of the Geneva/Ocean Avenue intersection as well as west along Ocean Avenue and to reduce delays along the K, 43, and 29 MUNI lines. CCSF is working with the City to

significantly increase the width of the sidewalk along the campus frontage from Frida Kahlo Way east towards the BART and MUNI stations. All of these improvements, and more, will help support the City's Vision Zero plan for Ocean Avenue, making it safer for Ocean Avenue's pedestrians, transit riders, and car drivers, neighbors and shoppers alike. Please support this project.

Claire Kostohryz
clkosto@gmail.com
4138 West Street
San Francisco , California 94608

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Monday, July 20, 2020 1:21:34 PM

From: Milo Trauss <info@email.actionnetwork.org>
Sent: Monday, July 20, 2020 1:17 PM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

Dear Supervisors,

More housing at the Balboa Reservoir site is imperative. The current proposal is much smaller than what the city needs and deserves.

My name is Milo Trauss and I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

Living in San Francisco, we have an opportunity to reduce our reliance on automobiles in order to reduce greenhouse gas emissions, slow global warming, and reduce automobile congestion in our neighborhoods. This can only be done by encouraging residents to use car-alternatives for getting around our City, whether by walking, biking, and using public transit and minimizing private auto trips. The Reservoir Partners development proposal of 1,100 homes is designed to provide new residents access to modes of transportation that will reduce residents' reliance on cars. The multiple direct pedestrian connections to Ocean Avenue and transit, the new protected bike lanes, bike share docking stations, and bicycle parking all allow people to get around the neighborhood without a car. Car share parking pods and memberships will provide residents with auto options, but along with the unbundled parking associated with the apartments, will help decrease car ownership rates.

In terms of neighborhood transit improvements, the Reservoir development's lengthy planning process and the development's contribution of approximately $10mil for Transportation Sustainability Fees is spurring improvements along Ocean Avenue planned by SFMTA, the Planning Department, and CCSF. As described in their 4/27/20 Community Advisory Committee presentation, SFMTA is proposing to improve the safety and usability of the Geneva/Ocean Avenue intersection as well as west along Ocean Avenue and to reduce delays along the K, 43, and 29 MUNI lines. CCSF is working with the City to significantly increase the width of the sidewalk along the campus frontage from Frida Kahlo Way east towards the BART and MUNI stations. All of these improvements, and more, will help support the City's Vision Zero plan for Ocean Avenue, making it safer for Ocean Avenue's pedestrians, transit riders, and car drivers, neighbors and shoppers alike. Please support this project.

Milo Trauss
milotrauss@gmail.com
4035 26th St. Apt 1
San Francisco, California 94131

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Oppose the Balboa Reservoir Project: No to Corporate Welfare – Yes to CCSF
Date:	Monday, July 20, 2020 1:07:24 PM

From: barbara@clarkfineart.com <barbara@clarkfineart.com>
Sent: Monday, July 20, 2020 1:07 PM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Oppose the Balboa Reservoir Project: No to Corporate Welfare – Yes to CCSF

Dear Linda Wong,

I am writing to ask you to oppose the Balboa Reservoir Project which you will soon be voting on.

The City is about to sell the Balboa Reservoir, which is public land, to a corporate housing developer whose CEO makes $10M/year. The developer claims that by building 550 market rate units it will be able to subsidize an additional 550 affordable, or below market rate units. In reality, it is mainly city and state funds that will subsidize the affordable units.

The housing crisis in San Francisco is an affordable housing crisis. This Project, built on public land, should be a 100% truly affordable development.

Even worse, the City is selling the land at a deep discount to this private developer, subsidizing a wealthy corporation with tax payer's dollars. It's a sweetheart deal, corporate welfare at its worst and should not be tolerated.

An additional concern is that by building separate market rate and affordable units, the Project results in a development that creates de facto segregation. This is inconsistent with San Francisco's inclusionary housing policy, which mandates that affordable and market rate units should all be under the same roof, creating a diverse housing community. In addition the open space will be controlled by members of the Home Owners Association who are mainly the owners of market rate, not affordable, units.

This project will also cause irreparable harm to City College of San Francisco. The Balboa Reservoir land has been used by CCSF for decades. Currently it provides commuter students, staff, and faculty access to CCSF with essential parking. Loss of this parking, without first ensuring other viable transportation options, will make it difficult, if not impossible, for many of the low income students and students of color to access the campus and get the education and professional training they need.

This is a city-wide issue. We need a City government that fights for housing justice and education.

Please oppose this project. Say No to Corporate Welfare – Yes to CCSF.

Sincerely,
Barbara Mann
Christopher Clark Fine Art
377 Geary Street
San Franciso, CA. 94102

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Monday, July 20, 2020 11:50:16 AM

From: leonard manuel <info@email.actionnetwork.org>
Sent: Monday, July 20, 2020 11:40 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Leonard and I currently live in the southeast Visitacion Valley Portola Little Hollywood neighborhood, however previously I resided in the Balboa Park Ocean Avenue Ingleside district. I have read about community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

Living in San Francisco, we have an opportunity to reduce our reliance on automobiles in order to reduce greenhouse gas emissions, slow global warming, and reduce automobile congestion in our neighborhoods. This can only be done by encouraging residents to use car-alternatives for getting around our City, whether by walking, biking, and using public transit and minimizing private auto trips. The Reservoir Partners development proposal of 1,100 homes is designed to provide new residents access to modes of transportation that will reduce residents' reliance on cars. The multiple direct pedestrian connections to Ocean Avenue and transit, the new protected bike lanes, bike share docking stations, and bicycle parking all allow people to get around the neighborhood without a car. Car share parking pods and memberships will provide residents with auto options, but along with the unbundled parking associated with the apartments, will help decrease car ownership rates.

In terms of neighborhood transit improvements, the Reservoir development's lengthy planning process and the development's contribution of approximately $10mil for Transportation Sustainability Fees is spurring improvements along Ocean Avenue planned by SFMTA, the Planning Department, and CCSF. As described in their 4/27/20 Community Advisory Committee presentation, SFMTA is proposing to improve the safety and usability of the Geneva/Ocean Avenue intersection as well as west along Ocean Avenue and to

reduce delays along the K, 43, and 29 MUNI lines. CCSF is working with the City to significantly increase the width of the sidewalk along the campus frontage from Frida Kahlo Way east towards the BART and MUNI stations. All of these improvements, and more, will help support the City’s Vision Zero plan for Ocean Avenue, making it safer for Ocean Avenue’s pedestrians, transit riders, and car drivers, neighbors and shoppers alike. Please support this project.

We urgently need more affordable housing units and options. Please consider demolishing unused/underused buildings meant for religious gatherings/functions, and rather convert the space into affordable housing for people. I have been living in various neighborhoods of SF since 2006 and honestly, I would like to see this specific project be completed within my lifetime (I am almost 39 years old). I say that because the pace of housing being built is *slow*.

Thank you for reading and your consideration.

Leonard
A concerned SF resident

leonard manuel
ldmanuel@yahoo.com
campbell
San Francisco, California

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Monday, July 20, 2020 10:46:21 AM

From: Charles Whitfield <info@email.actionnetwork.org>
Sent: Monday, July 20, 2020 10:45 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is ___________ and I live in the ___________ neighborhood. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

Living in San Francisco, we have an opportunity to reduce our reliance on automobiles in order to reduce greenhouse gas emissions, slow global warming, and reduce automobile congestion in our neighborhoods. This can only be done by encouraging residents to use car-alternatives for getting around our City, whether by walking, biking, and using public transit and minimizing private auto trips. The Reservoir Partners development proposal of 1,100 homes is designed to provide new residents access to modes of transportation that will reduce residents' reliance on cars. The multiple direct pedestrian connections to Ocean Avenue and transit, the new protected bike lanes, bike share docking stations, and bicycle parking all allow people to get around the neighborhood without a car. Car share parking pods and memberships will provide residents with auto options, but along with the unbundled parking associated with the apartments, will help decrease car ownership rates.

In terms of neighborhood transit improvements, the Reservoir development's lengthy planning process and the development's contribution of approximately $10mil for Transportation Sustainability Fees is spurring improvements along Ocean Avenue planned by SFMTA, the Planning Department, and CCSF. As described in their 4/27/20 Community Advisory Committee presentation, SFMTA is proposing to improve the safety and usability of the Geneva/Ocean Avenue intersection as well as west along Ocean Avenue and to reduce delays along the K, 43, and 29 MUNI lines. CCSF is working with the City to

significantly increase the width of the sidewalk along the campus frontage from Frida Kahlo Way east towards the BART and MUNI stations. All of these improvements, and more, will help support the City's Vision Zero plan for Ocean Avenue, making it safer for Ocean Avenue's pedestrians, transit riders, and car drivers, neighbors and shoppers alike. Please support this project.

Charles Whitfield
whitfield.cw@gmail.com
1 St Francis Place
San Francisco, California 94107

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Monday, July 20, 2020 10:35:13 AM

From: Avishai Halev <info@email.actionnetwork.org>
Sent: Monday, July 20, 2020 10:33 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Avishai and I live in the Castro. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

The Reservoir Partners development proposal of 1,100 homes literally at Ocean Avenue's doorstep has been designed to connect the new residents to retail and services along Ocean Avenue without creating commercial space that would be in competition with the small businesses along Ocean Avenue. In fact, the development has been designed to specially complement the existing and future Ocean Avenue businesses. The walking paths designed along Lee, Brighton, and the Ingleside Library will connect Reservoir residents directly to Ocean Avenue while also enabling neighbors, employees and pedestrians easy access from Ocean Avenue to the Reservoir's new neighborhood park, dog walking areas, and other open spaces located directly behind Whole Foods. During this time of sheltering-in-place, business stress and future economic uncertainty, the Balboa Reservoir development provides the support of thousands of new customers living in the 1,100 new homes that will be vital to stabilizing all of the small businesses along Ocean Avenue and helping the neighborhood thrive long into the future.

Avishai Halev
avishaihalev@gmail.com
53 Collingwood St
San Francisco, California 94114

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Monday, July 20, 2020 10:25:17 AM

From: George Coleman <info@hartfordproperties.com>
Sent: Monday, July 20, 2020 10:11 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is ____George Coleman_______ and I live in the ___Glen ParkSt.________ neighborhood. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

Given our City's dire housing crisis and the lack of affordable housing, I support the City's efforts to provide new housing opportunities for San Franciscans, especially when the new homes are built in places with good transportation access and existing services. The best combination would be new affordable housing for families located near family-friendly amenities, like playgrounds, parks, and child care centers.

The Reservoir Partners development proposal of 1,100 homes includes 550 affordable homes for people earning between 30% and 120% area median income (AMI). These affordable rental homes sized for working families will be built by San Francisco-based non-profits BRIDGE Housing and Mission Housing, along with a handful of for-sale affordable homes built by Habitat For Humanity. One of these rental buildings with approximately 150 apartments will offer prioritized housing for City College educators and staff earning between 80%-120% AMI with a secondary preference for SF Unified School District educators and staff. As with the market-rate apartments being built concurrently, all of these households will have access to the new neighborhood park, dog play areas, and the on-site child-care center that create a strong family friendly environment for future residents and all existing neighbors. Please support this project.

George Coleman

info@hartfordproperties.com
197 Laidley St.
San Francisco, California 94131

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Monday, July 20, 2020 9:30:12 AM

From: Galit Gontar <info@email.actionnetwork.org>
Sent: Monday, July 20, 2020 9:21 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Galit and I live in the Glen Park neighborhood. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

The Reservoir Partners development proposal of 1,100 homes literally at Ocean Avenue's doorstep has been designed to connect the new residents to retail and services along Ocean Avenue without creating commercial space that would be in competition with the small businesses along Ocean Avenue. In fact, the development has been designed to specially complement the existing and future Ocean Avenue businesses. The walking paths designed along Lee, Brighton, and the Ingleside Library will connect Reservoir residents directly to Ocean Avenue while also enabling neighbors, employees and pedestrians easy access from Ocean Avenue to the Reservoir's new neighborhood park, dog walking areas, and other open spaces located directly behind Whole Foods. During this time of sheltering-in-place, business stress and future economic uncertainty, the Balboa Reservoir development provides the support of thousands of new customers living in the 1,100 new homes that will be vital to stabilizing all of the small businesses along Ocean Avenue and helping the neighborhood thrive long into the future.

Galit Gontar
galit.gontar@gmail.com
124 Bemis St.
San Francisco, California 94131

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Monday, July 20, 2020 9:30:24 AM

From: Philip Crone <info@email.actionnetwork.org>
Sent: Monday, July 20, 2020 9:18 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Phil Crone, and I am an Ingleside resident. I am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

The Reservoir Partners development proposal of 1,100 homes has been designed to connect the new residents to retail and services along Ocean Avenue without creating commercial space that would be in competition with the small businesses along Ocean Avenue. In fact, the development has been designed to specially complement the existing and future Ocean Avenue businesses. The walking paths designed along Lee, Brighton, and the Ingleside Library will connect Reservoir residents directly to Ocean Avenue while also enabling neighbors, employees and pedestrians easy access from Ocean Avenue to the Reservoir's new neighborhood park, dog walking areas, and other open spaces located directly behind Whole Foods. During this time of sheltering-in-place, business stress and future economic uncertainty, the Balboa Reservoir development provides the support of thousands of new customers living in the 1,100 new homes that will be vital to stabilizing all of the small businesses along Ocean Avenue and helping the neighborhood thrive long into the future.

Philip Crone
Philip.crone@gmail.com
100 De Montfort Avenue
San Francisco, California

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Monday, July 20, 2020 9:30:53 AM

From: Sara Ogilvie <sara@ogilvie.us.com>
Sent: Monday, July 20, 2020 8:41 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Sara Ogilvie and I live in the Mission neighborhood. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

Living in San Francisco, we have an opportunity to reduce our reliance on automobiles in order to reduce greenhouse gas emissions, slow global warming, and reduce automobile congestion in our neighborhoods. This can only be done by encouraging residents to use car-alternatives for getting around our City, whether by walking, biking, and using public transit and minimizing private auto trips. The Reservoir Partners development proposal of 1,100 homes is designed to provide new residents access to modes of transportation that will reduce residents' reliance on cars. The multiple direct pedestrian connections to Ocean Avenue and transit, the new protected bike lanes, bike share docking stations, and bicycle parking all allow people to get around the neighborhood without a car. Car share parking pods and memberships will provide residents with auto options, but along with the unbundled parking associated with the apartments, will help decrease car ownership rates.

In terms of neighborhood transit improvements, the Reservoir development's lengthy planning process and the development's contribution of approximately $10mil for Transportation Sustainability Fees is spurring improvements along Ocean Avenue planned by SFMTA, the Planning Department, and CCSF. As described in their 4/27/20 Community Advisory Committee presentation, SFMTA is proposing to improve the safety and usability of the Geneva/Ocean Avenue intersection as well as west along Ocean Avenue and to reduce delays along the K, 43, and 29 MUNI lines. CCSF is working with the City to

significantly increase the width of the sidewalk along the campus frontage from Frida Kahlo Way east towards the BART and MUNI stations. All of these improvements, and more, will help support the City's Vision Zero plan for Ocean Avenue, making it safer for Ocean Avenue's pedestrians, transit riders, and car drivers, neighbors and shoppers alike. Please support this project.

Sara Ogilvie
sara@ogilvie.us.com
3009 Mission St Apt 210
San Francisco, California 94110

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Monday, July 20, 2020 9:31:09 AM

From: Robert Fruchtman <info@email.actionnetwork.org>
Sent: Monday, July 20, 2020 8:37 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Robert Fruchtman and I live in the Lower Haight neighborhood. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

The Reservoir Partners development proposal of 1,100 homes literally at Ocean Avenue's doorstep has been designed to connect the new residents to retail and services along Ocean Avenue without creating commercial space that would be in competition with the small businesses along Ocean Avenue. In fact, the development has been designed to specially complement the existing and future Ocean Avenue businesses. The walking paths designed along Lee, Brighton, and the Ingleside Library will connect Reservoir residents directly to Ocean Avenue while also enabling neighbors, employees and pedestrians easy access from Ocean Avenue to the Reservoir's new neighborhood park, dog walking areas, and other open spaces located directly behind Whole Foods. During this time of sheltering-in-place, business stress and future economic uncertainty, the Balboa Reservoir development provides the support of thousands of new customers living in the 1,100 new homes that will be vital to stabilizing all of the small businesses along Ocean Avenue and helping the neighborhood thrive long into the future. Half of these homes will be available at prices below market rate, which will especially stabilize the neighborhood. I urge you to support this comprehensive proposal.

Robert Fruchtman
rfruchtose@gmail.com
616 Page St

San Francisco, California 94117

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Monday, July 20, 2020 9:31:18 AM

From: Jui-Yun Hsia <info@email.actionnetwork.org>
Sent: Monday, July 20, 2020 8:28 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Annie Hsia, and I am a long time resident of Bernal Heights. I am writing in support of the development proposal for Balboa Reservoir being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

Living in San Francisco, we have an opportunity to reduce our reliance on automobiles in order to reduce greenhouse gas emissions, slow global warming, and reduce automobile congestion in our neighborhoods. This can only be done by encouraging residents to use car-alternatives for getting around our City, whether by walking, biking, and using public transit and minimizing private auto trips. The Reservoir Partners development proposal of 1,100 homes is designed to provide new residents access to modes of transportation that will reduce residents' reliance on cars. The multiple direct pedestrian connections to Ocean Avenue and transit, the new protected bike lanes, bike share docking stations, and bicycle parking all allow people to get around the neighborhood without a car. Car share parking pods and memberships will provide residents with auto options, but along with the unbundled parking associated with the apartments, will help decrease car ownership rates.

In terms of neighborhood transit improvements, the Reservoir development's lengthy planning process and the development's contribution of approximately $10mil for Transportation Sustainability Fees is spurring improvements along Ocean Avenue planned by SFMTA, the Planning Department, and CCSF. As described in their 4/27/20 Community Advisory Committee presentation, SFMTA is proposing to improve the safety and usability of the Geneva/Ocean Avenue intersection as well as west along Ocean Avenue and to reduce delays along the K, 43, and 29 MUNI lines. CCSF is working with the City to significantly increase the width of the sidewalk along the campus frontage from Frida Kahlo

Way east towards the BART and MUNI stations. All of these improvements, and more, will help support the City's Vision Zero plan for Ocean Avenue, making it safer for Ocean Avenue's pedestrians, transit riders, and car drivers, neighbors and shoppers alike. Please support this project.

Jui-Yun Hsia
ajhsia@gmail.com
30 Patton St
San Francisco, California 94110

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Monday, July 20, 2020 9:31:28 AM

From: Jaime Tanner <info@email.actionnetwork.org>
Sent: Monday, July 20, 2020 8:25 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Jaime tannerand I live in lower pac heights. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

Living in San Francisco, we have an opportunity to reduce our reliance on automobiles in order to reduce greenhouse gas emissions, slow global warming, and reduce automobile congestion in our neighborhoods. This can only be done by encouraging residents to use car-alternatives for getting around our City, whether by walking, biking, and using public transit and minimizing private auto trips. The Reservoir Partners development proposal of 1,100 homes is designed to provide new residents access to modes of transportation that will reduce residents' reliance on cars. The multiple direct pedestrian connections to Ocean Avenue and transit, the new protected bike lanes, bike share docking stations, and bicycle parking all allow people to get around the neighborhood without a car. Car share parking pods and memberships will provide residents with auto options, but along with the unbundled parking associated with the apartments, will help decrease car ownership rates.

In terms of neighborhood transit improvements, the Reservoir development's lengthy planning process and the development's contribution of approximately $10mil for Transportation Sustainability Fees is spurring improvements along Ocean Avenue planned by SFMTA, the Planning Department, and CCSF. As described in their 4/27/20 Community Advisory Committee presentation, SFMTA is proposing to improve the safety and usability of the Geneva/Ocean Avenue intersection as well as west along Ocean Avenue and to reduce delays along the K, 43, and 29 MUNI lines. CCSF is working with the City to

significantly increase the width of the sidewalk along the campus frontage from Frida Kahlo Way east towards the BART and MUNI stations. All of these improvements, and more, will help support the City's Vision Zero plan for Ocean Avenue, making it safer for Ocean Avenue's pedestrians, transit riders, and car drivers, neighbors and shoppers alike. Please support this project.

Jaime Tanner
jaimeatanner@gmail.com
2664 Bush Street
San Fransisco, California 94115

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Monday, July 20, 2020 9:31:39 AM

From: Jacqueline Mauro <info@email.actionnetwork.org>
Sent: Monday, July 20, 2020 8:17 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Jackie Mauro and I live in Noe Valley. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

Given our City's dire housing crisis and the lack of affordable housing, I support the City's efforts to provide new housing opportunities for San Franciscans, especially when the new homes are built in places with good transportation access and existing services. This will also shore up our tax base in the face of this terrible pandemic. The best combination would be new affordable housing for families located near family-friendly amenities, like playgrounds, parks, and child care centers.

The Reservoir Partners development proposal of 1,100 homes includes 550 affordable homes for people earning between 30% and 120% area median income (AMI). These affordable rental homes sized for working families will be built by San Francisco-based non-profits BRIDGE Housing and Mission Housing, along with a handful of for-sale affordable homes built by Habitat For Humanity. One of these rental buildings with approximately 150 apartments will offer prioritized housing for City College educators and staff earning between 80%-120% AMI with a secondary preference for SF Unified School District educators and staff. My sister was a preschool special ed teacher and was driven from the city by lack of affordability--we need our teachers! As with the market-rate apartments being built concurrently, all of these households will have access to the new neighborhood park, dog play areas, and the on-site child-care center that create a strong family friendly environment for future residents and all existing neighbors. Please support this project.

Jacqueline Mauro
jacqueline.amauro@gmail.com
658 Duncan St
SAN FRANCISCO, California 94131

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Monday, July 20, 2020 9:31:48 AM

From: Zack Subin <zack.subin@fastmail.fm>
Sent: Monday, July 20, 2020 8:16 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Zack Subin and I live in the Ocean View neighborhood less than a mi uphill from the site. I attended multiple of the community meetings for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

This project brings much needed homes to the Westside, surrounded by a single family neighborhood that is was formed based on exclusionary principles and has seen almost no housing production even while other parts of the city experience change. The project goes above and beyond the city's floor for inclusionary housing and provides 50% subsidized affordable homes. Most importantly, it would convert a vast sea of asphalt into a village of homes, green space, and integrated shopping and transit. Even though I already own my home in Ocean View (thanks only to a generous gift from family), this will improve my experience of the entire neighborhood by providing more walkability and bikability, and more people on the street and keeping our small businesses alive.

Living in San Francisco, we have an opportunity to reduce our reliance on automobiles in order to reduce greenhouse gas emissions, slow global warming, and reduce automobile congestion in our neighborhoods. This can only be done by encouraging residents to use car-alternatives for getting around our City, whether by walking, biking, and using public transit and minimizing private auto trips. The Reservoir Partners development proposal of 1,100 homes is designed to provide new residents access to modes of transportation that will reduce residents' reliance on cars. The multiple direct pedestrian connections to Ocean Avenue and transit, the new protected bike lanes, bike share docking stations, and bicycle parking all allow people to get around the neighborhood without a car. Car share parking pods and memberships will provide residents with auto options, but along with the unbundled parking associated with the apartments, will help decrease car ownership rates.

In terms of neighborhood transit improvements, the Reservoir development’s lengthy planning process and the development’s contribution of approximately $10mil for Transportation Sustainability Fees is spurring improvements along Ocean Avenue planned by SFMTA, the Planning Department, and CCSF. As described in their 4/27/20 Community Advisory Committee presentation, SFMTA is proposing to improve the safety and usability of the Geneva/Ocean Avenue intersection as well as west along Ocean Avenue and to reduce delays along the K, 43, and 29 MUNI lines. CCSF is working with the City to significantly increase the width of the sidewalk along the campus frontage from Frida Kahlo Way east towards the BART and MUNI stations. All of these improvements, and more, will help support the City’s Vision Zero plan for Ocean Avenue, making it safer for Ocean Avenue’s pedestrians, transit riders, and car drivers, neighbors and shoppers alike. Please support this project.

Sincerely,
Zack Subin

Zack Subin
zack.subin@fastmail.fm
192 Caine Ave
San Francisco, California 94112

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Monday, July 20, 2020 9:32:02 AM

From: Renne Arias <info@email.actionnetwork.org>
Sent: Monday, July 20, 2020 8:05 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Renne Arias and I live in the Ingleside neighborhood. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

Given our City's dire housing crisis and the lack of affordable housing, I support the City's efforts to provide new housing opportunities for San Franciscans, especially when the new homes are built in places with good transportation access and existing services. The best combination would be new affordable housing for families located near family-friendly amenities, like playgrounds, parks, and child care centers.

The Reservoir Partners development proposal of 1,100 homes includes 550 affordable homes for people earning between 30% and 120% area median income (AMI). These affordable rental homes sized for working families will be built by San Francisco-based non-profits BRIDGE Housing and Mission Housing, along with a handful of for-sale affordable homes built by Habitat For Humanity. One of these rental buildings with approximately 150 apartments will offer prioritized housing for City College educators and staff earning between 80%-120% AMI with a secondary preference for SF Unified School District educators and staff. As with the market-rate apartments being built concurrently, all of these households will have access to the new neighborhood park, dog play areas, and the on-site child-care center that create a strong family friendly environment for future residents and all existing neighbors. Please support this project.

Renne Arias
renneearias@gmail.com

1770 San Jose Avenue, #8
San Francisco, California 94112

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Monday, July 20, 2020 9:32:14 AM

From: Sarah Boudreau <info@email.actionnetwork.org>
Sent: Monday, July 20, 2020 7:45 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Sarah and I live in Cow Hollow. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

The Reservoir Partners development proposal of 1,100 homes literally at Ocean Avenue's doorstep has been designed to connect the new residents to retail and services along Ocean Avenue without creating commercial space that would be in competition with the small businesses along Ocean Avenue. In fact, the development has been designed to specially complement the existing and future Ocean Avenue businesses. The walking paths designed along Lee, Brighton, and the Ingleside Library will connect Reservoir residents directly to Ocean Avenue while also enabling neighbors, employees and pedestrians easy access from Ocean Avenue to the Reservoir's new neighborhood park, dog walking areas, and other open spaces located directly behind Whole Foods. During this time of sheltering-in-place, business stress and future economic uncertainty, the Balboa Reservoir development provides the support of thousands of new customers living in the 1,100 new homes that will be vital to stabilizing all of the small businesses along Ocean Avenue and helping the neighborhood thrive long into the future.

Please approve the project without delay so that our city can get going on building this carefully-planned and much-needed housing.

Sarah Boudreau
boudreau.sarah.m@gmail.com
1520 Greenwich Street, Apartment 11

San Francisco, California 94123

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Monday, July 20, 2020 9:32:20 AM

From: Serena McNair <info@email.actionnetwork.org>
Sent: Monday, July 20, 2020 7:44 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Serena McNair and I live in Parkmerced. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

Living in San Francisco, we have an opportunity to reduce our reliance on automobiles in order to reduce greenhouse gas emissions, slow global warming, and reduce automobile congestion in our neighborhoods. This can only be done by encouraging residents to use car-alternatives for getting around our City, whether by walking, biking, and using public transit and minimizing private auto trips. The Reservoir Partners development proposal of 1,100 homes is designed to provide new residents access to modes of transportation that will reduce residents' reliance on cars. The multiple direct pedestrian connections to Ocean Avenue and transit, the new protected bike lanes, bike share docking stations, and bicycle parking all allow people to get around the neighborhood without a car. Car share parking pods and memberships will provide residents with auto options, but along with the unbundled parking associated with the apartments, will help decrease car ownership rates.

In terms of neighborhood transit improvements, the Reservoir development's lengthy planning process and the development's contribution of approximately $10mil for Transportation Sustainability Fees is spurring improvements along Ocean Avenue planned by SFMTA, the Planning Department, and CCSF. As described in their 4/27/20 Community Advisory Committee presentation, SFMTA is proposing to improve the safety and usability of the Geneva/Ocean Avenue intersection as well as west along Ocean Avenue and to reduce delays along the K, 43, and 29 MUNI lines. CCSF is working with the City to

significantly increase the width of the sidewalk along the campus frontage from Frida Kahlo Way east towards the BART and MUNI stations. All of these improvements, and more, will help support the City's Vision Zero plan for Ocean Avenue, making it safer for Ocean Avenue's pedestrians, transit riders, and car drivers, neighbors and shoppers alike. Please support this project.

Serena McNair
ravenxwriter@gmail.com
94132
San Francisco, California 94132

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Monday, July 20, 2020 9:32:31 AM

From: Marty Cerles Jr <info@email.actionnetwork.org>
Sent: Monday, July 20, 2020 7:42 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Marty Cerles and I live in the Lower Pac Heights neighborhood. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

Living in San Francisco, we have an opportunity to reduce our reliance on automobiles in order to reduce greenhouse gas emissions, slow global warming, and reduce automobile congestion in our neighborhoods. This can only be done by encouraging residents to use car-alternatives for getting around our City, whether by walking, biking, and using public transit and minimizing private auto trips. The Reservoir Partners development proposal of 1,100 homes is designed to provide new residents access to modes of transportation that will reduce residents' reliance on cars. The multiple direct pedestrian connections to Ocean Avenue and transit, the new protected bike lanes, bike share docking stations, and bicycle parking all allow people to get around the neighborhood without a car. Car share parking pods and memberships will provide residents with auto options, but along with the unbundled parking associated with the apartments, will help decrease car ownership rates.

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significantly increase the width of the sidewalk along the campus frontage from Frida Kahlo Way east towards the BART and MUNI stations. All of these improvements, and more, will help support the City's Vision Zero plan for Ocean Avenue, making it safer for Ocean Avenue's pedestrians, transit riders, and car drivers, neighbors and shoppers alike. Please support this project.

Marty Cerles Jr
martycerles@gmail.com
2890 California St
San Francisco, California 94115

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Monday, July 20, 2020 9:32:39 AM

From: Brendan D <info@email.actionnetwork.org>
Sent: Monday, July 20, 2020 7:28 AM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

My name is Brendan D and I live in the West Portal neighborhood. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

Given our City's dire housing crisis and the lack of affordable housing, I support the City's efforts to provide new housing opportunities for San Franciscans, especially when the new homes are built in places with good transportation access and existing services. The best combination would be new affordable housing for families located near family-friendly amenities, like playgrounds, parks, and child care centers.

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Brendan D
bwendan@gmail.com

2430 16th Ave
San Francisco, California 94116

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)
Date:	Monday, July 20, 2020 9:33:01 AM

From: Steve Marzo <smarzo@alumni.nd.edu>
Sent: Sunday, July 19, 2020 5:33 PM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Balboa Reservoir Project Case #s: 200422 (SUD), 200635 (General Plan), 200423 (Development Agreement) and 200740 (Purchase and Sale Agreement)

Linda Wong,

Dear Supervisors:

My name is Steve Marzo and I live in the Ingleside neighborhood. I have been participating in the community planning process for the Balboa Reservoir and am writing in support of the development proposal being reviewed by the Land Use Committee and on July 27, 2020 and Budget and Finance Committee on July 29, 2020.

Living in San Francisco, we have an opportunity to reduce our reliance on automobiles in order to reduce greenhouse gas emissions, slow global warming, and reduce automobile congestion in our neighborhoods. This can only be done by encouraging residents to use car-alternatives for getting around our City, whether by walking, biking, and using public transit and minimizing private auto trips. The Reservoir Partners development proposal of 1,100 homes is designed to provide new residents access to modes of transportation that will reduce residents' reliance on cars. The multiple direct pedestrian connections to Ocean Avenue and transit, the new protected bike lanes, bike share docking stations, and bicycle parking all allow people to get around the neighborhood without a car. Car share parking pods and memberships will provide residents with auto options, but along with the unbundled parking associated with the apartments, will help decrease car ownership rates.

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reduce delays along the K, 43, and 29 MUNI lines. CCSF is working with the City to significantly increase the width of the sidewalk along the campus frontage from Frida Kahlo Way east towards the BART and MUNI stations. All of these improvements, and more, will help support the City's Vision Zero plan for Ocean Avenue, making it safer for Ocean Avenue's pedestrians, transit riders, and car drivers, neighbors and shoppers alike. Please support this project.

Sincerely,

Steve Marzo
smarzo@alumni.nd.edu
1117 Ocean Ave #204
San Francisco, California 94112

From:	Wong, Linda (BOS)
To:	Jalipa, Brent (BOS)
Subject:	FW: Oppose the Balboa Reservoir Project!
Date:	Thursday, July 16, 2020 6:41:37 PM

Brent, please add to Balbao file. Thanks!

From: Dina L Wilson <dwilson@ccsf.edu>
Sent: Thursday, July 16, 2020 6:38 PM
To: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: Oppose the Balboa Reservoir Project!

I am writing to ask you to oppose the Balboa Reservoir Project which you will soon be voting on.

The City is about to sell the Balboa Reservoir, which is public land, to a corporate housing developer whose CEO makes $10M/year. The developer claims that by building 550 market rate units it will be able to subsidize an additional 550 affordable, or below market rate units. In reality, it is mainly city and state funds that will subsidize the affordable units.

The housing crisis in San Francisco is an affordable housing crisis. This Project, built on public land, should be a 100% truly affordable development.

Even worse, the City is selling the land at a deep discount to this private developer, subsidizing a wealthy corporation with tax payer's dollars. It's a sweetheart deal, corporate welfare at its worst and should not be tolerated.

An additional concern is that by building separate market rate and affordable units, the Project results in a development that creates de facto segregation. This is inconsistent with San Francisco's inclusionary housing policy, which mandates that affordable and market rate units should all be under the same roof, creating a diverse housing community. In addition the open space will be controlled by members of the Home Owners Association who are mainly the owners of market rate, not affordable, units.

This project will also cause irreparable harm to City College of San Francisco. The Balboa Reservoir land has been used by CCSF for decades. Currently it provides commuter students, staff, and faculty access to CCSF with essential parking. Loss of this parking, without first ensuring other viable transportation options, will make it difficult, if not impossible, for many of the low income students and students of color to access the campus and get the education and professional training they need.

This is a city-wide issue. We need a City government that fights for housing justice and education.

Please oppose this project. Say No to Corporate Welfare – Yes to CCSF.

Sincerely,

Dina Wilson
ESL Instructor
Mission Campus
City College of San Francisco - *Ohlone Territory*
(415) 652-1390
pronouns: she/her/hers

From:	aj
To:	Wong, Linda (BOS); Jalipa, Brent (BOS)
Cc:	Fewer, Sandra (BOS); Walton, Shamann (BOS); MandelmanStaff, [BOS]
Subject:	Fw: File 200423, 200740--"Achieving Equity in City Planning"
Date:	Thursday, July 16, 2020 3:53:31 PM

Budget & Finance Committee:

This piece, "Achieving Equity in City Planning", is relevant to Balboa Reservoir. Here are some excerpts from the piece, followed by the entire piece.

--Alvin Ja

Affordability: ensuring that all people regardless of their level of income can afford housing. *Universal affordability must be our primary goal. The market has no incentive to produce housing that most people can actually afford. There is no "naturally occurring" affordable housing and a few "below market rate" units here and there make the situation worse. This has led to an over-supply of high priced housing. Therefore, when we build new housing, every unit has to be affordable for people and households that are working class, have low incomes and no incomes.*

For too long, the systems of development and access to land have been "pay to play" with developers and their lawyers monopolizing land ownership, making the rules for who gets to develop it and how. City planners have seen their role as enabling this market based system of exclusion and monopolization. It's time to assert that the role of government is to mobilize resources for equity.

We must demand that no development, policy, plan, or legislation can proceed without first proving that it will empirically and primarily benefit those most at risk- our most vulnerable residents and workers. This means putting all proposals for building market rate housing on hold indefinitely. That means putting aside all the up-zoning and re-zoning plans that enable more market rate housing.

For too long, the framework for Planners has been to expedite approvals of high priced developments along with a side order of "mitigations" or "impact fees" to placate low income and people of color communities. This "Trickle Down" approach has worsened inequality, driven people of color and people with low incomes far away from their places of work, and increased homelessness. Throwing a few "below market rate" units into a luxury condo tower doesn't count as an equity strategy. All it does is ensure that one more site will be occupied by a building where 80% or more of the units are priced completely out of reach.

1. *Stop the sale of all publicly owned lands to market rate developers for the purpose of developing any market rate housing. That land should be set aside for development of affordable housing and community serving uses such as small businesses and nonprofits.*

No longer should we accept the speculative theories that maybe someday for-profit housing developers will build enough that prices will come down so low that most people can then afford them. The continuing displacement, segregation and instability caused by ongoing market rate development, speculation and financialization of housing is destructive and must stop immediately.

Entire piece:
****
Achieving Equity In City Planning
DAPSS: A Revolutionary New Framework For Planning Cities
Joseph Smooke, Dyan Ruiz, Frederick Noland | 07/10/2020
Photo Credit
All Illustrations by Frederick Noland
[people. power. media] · DAPSS Audio Summary 14 July 2020

City planners have for decades perpetrated segregation, displacement and inequality. We called this out in our first part of this series, "Post-Coronavirus We Need a New Way to Plan Cities". Building on that piece, we are introducing a revolutionary framework for how to achieve equity by planning cities in an entirely new way: by intentionally addressing Desegregation, Affordability, Production, Stability and Sustainability (DAPSS).

Planners and politicians must prioritize the needs of those who are most vulnerable and who have been oppressed– people of color, people with low incomes, the homeless and the working class. This is the only way that equity and anti-racism can become the fundamental, guiding forces for all development.

We need to build a future where all development and zoning originate from and prioritize low-income and people of color communities. These proposals must intentionally assert each of the components of DAPSS. In order for this tool to work, **each** of these DAPSS strategies must **all** work together to bring our housing and land use into balance.

Here's an overview of DAPSS.

- **Desegregation: ensuring that all people are able to choose for themselves where they want to live.** Desegregation must be intentional and systemic in order to overcome decades of intentional development and land use policies that have ripped our communities apart along differences in race and income.

- **Affordability: ensuring that all people regardless of their level of income can afford housing.** Universal affordability must be our primary goal. The market has no incentive to produce housing that most people can actually afford. There is no "naturally occurring" affordable housing and a few “below market rate” units here and there make the situation worse. This has led to an over-supply of high priced housing. Therefore, when we build new housing, every unit has to be affordable for people and households that are working class, have low incomes and no incomes.

- **Production: building new units of housing to meet future needs of a growing economy.** Production is important for meeting the needs of growing cities and regions. However, since building new housing naturally monopolizes use of the land where it's located, new housing must only be approved that objectively and intentionally meets the other strategies of Desegregation, Affordability, Stability and Sustainability.

- **Stability: the ability for people to live securely without threat of eviction or**

foreclosure. Stability is crucial for personal and community health. Constant threats of eviction, foreclosure, and rent increases, and deteriorating habitability issues are all destabilizing, yet all of these are endemic to our current housing system and must be changed. We must prioritize policies that encourage housing and land ownership by low income and people of color communities.

- **Sustainability: shifting focus from private profit to community building, from exploitation to restoration and resilience, and integration with natural systems.** Sustainability forces us to think about the long term impacts of development, especially to the environment, rather than the short term profitability developers seek. Growth must contribute to greater sustainability rather than merely mitigating its negative impacts.

Each element is detailed further in this article, along with specific strategies to implement them.

How Can You and Your Community Use DAPSS?

- **Use DAPSS to create** your own community's vision and strategies.
- **Use DAPSS to evaluate** candidates for office. Hold community forums and debates with candidates. Ask the candidates about DAPSS and see how they respond. Hold them accountable to your community's vision and plan for how you want to see DAPSS implemented. Not satisfied? Run your own candidates and make this change happen!
- **Use DAPSS to fight back** against developments or re-zoning efforts or new policies or legislation that don't fit your community's vision and strategies.

A FUNDAMENTAL RE-VISIONING OF CITIES

The sustained agitation in the streets for de-funding the police is a demand for fundamentally changing the way our society is structured. The demonstrations are urgent calls for investing in the resilience of communities- for taking money away from militarized protection of those with wealth and power, and instead redirecting those resources to the networks that support people and communities. The people and communities who have been terrorized by systems of oppression, racism, segregation and disinvestment. This isn't just about shifting resources. It's about changing an entire culture.

It's in this context that we call for tearing down the existing systems of planning and development, and rebuilding them as anti-racist and actively striving for equity. The actions of city planners in today's world are similar to those of the police, just not in a militarized form- although when the Sheriff comes to enforce an eviction or a foreclosure, these two systems do intersect.

Low income and people of color communities must be the primary decision makers and beneficiaries of our land use systems in order to guarantee an equitable future where everyone lives with freedom and stability. We need to change the priorities of who has access to and control of land, housing, and open spaces and the means of subsistence.

For too long, the systems of development and access to land have been "pay to play" with developers and their lawyers monopolizing land ownership, making the rules for who gets to develop it and how. City planners have seen their role as enabling this market based system of exclusion and monopolization. It's time to assert that the role of government is to mobilize resources for equity.

We must demand that no development, policy, plan, or legislation can proceed without first proving that it will empirically and primarily benefit those most at risk- our most vulnerable residents and workers. This means putting all proposals for building market rate housing on hold indefinitely. That means putting aside all the up-zoning and re-zoning plans that enable more market rate housing.

For too long, the framework for Planners has been to expedite approvals of high priced developments along with a side order of "mitigations" or "impact fees" to placate low income and people of color communities. This "Trickle Down" approach has worsened inequality, driven people of color and people with low incomes far away from their places of work, and increased homelessness. Throwing a few "below market rate" units into a luxury condo tower doesn't count as an equity strategy. All it does is ensure that one more site will be occupied by a building where 80% or more of the units are priced completely out of reach.

Our city governments must no longer prioritize the profit margins of well-capitalized developers who cater to wealthy residents, corporate rentals and global investors who park their cash in and speculate on the housing market. In order to be considered for approval, we have to demand that every project or re-zoning that comes before a Planning Department or Commission for approval proves that their primary purpose and benefit is for low income, working class, and people of color communities. All proposals must uphold **each** element of DAPSS, Desegregation, Affordability, Production, Stability and Sustainability, in order for cities to achieve equity in planning and development.

DESEGREGATION

Ensuring that all people regardless of race, religion, gender identity, national origin, abilities, or income are able to choose for themselves where they want to live.

Systems of segregation have defined the US since its inception. Forcing Native Americans onto Reservations, racist Jim Crow laws separating blacks from whites, denying home financing to people of color through "Redlining", forced displacement of people of color and low income residents for urban Redevelopment, forcing immigrants into segregated neighborhoods like Chinatowns, and discriminatory "Covenants, Conditions and Restrictions" that regulate use of condos and subdivisions are just some examples. Both the public and private sectors are culpable for deliberately excluding people of color from owning homes or even being able to live in desirable neighborhoods, as chronicled in the comprehensive book *The Color of Law.*

It's dangerous, however, to think of segregation as something that vanished with Title VIII of the Civil Rights Act of 1968, also called the Fair Housing Act and the Community Reinvestment Act of 1977 which established rules intended to end discriminatory practices in terms of who gets to live where and who has access to financing. Segregation also didn't vanish with the repeal of the Chinese Exclusion Act in 1943, the dissolution of California's Redevelopment Agencies in 2012, or the HOPE VI rebuilding of public housing in the 1990's and 2000's. Not only does segregation still exist, it continues to rip apart our social fabric.

The 2014 killing of Michael Brown in Ferguson, Missouri focused the nation's attention on the deep segregation of St Louis, which reflects similar realities for many other US cities. More recently, Amy Cooper called the cops on a black man in New York which unfortunately is not an isolated incident of whites calling law enforcement on blacks who they feel should be excluded from their domain. Even in liberal San Francisco, Alex Nieto was gunned down by police for being a person of color in his own neighborhood which was rapidly gentrifying.

Segregation is intentional. It's systemic. Think about that new luxury apartment building charging $3,000 a month for rents or $1 million to buy a new condo plus monthly homeowners association fees. Since the disparity of incomes and wealth between white households and people of color is so wide and so pervasive, the residents in these new units will mostly be white**.** The income and education potential for people in concentrated areas of poverty is clearly worse than the prospects for households that have better schools and job prospects.

For cities with less segregation there's less of an inequality gap. Or is it that cities with less of an inequality gap have less segregation? Either way, for planners to use the power of the government to keep rubber stamping market rate developments with just a sprinkling of "inclusionary" or "below market rate" units means an ever whiter and more segregated future.

Desegregation will only happen through systemic and deliberate action. Deliberate actions to create the ability for people to live in any area they want– close to work or schools and other social infrastructure, regardless of the renter's or buyer's race or ethnicity, sexual orientation, family size or composition, physical or mental capacities, language, use of rent subsidies, or other factors. As Richard Rothstein, author of *The Color of Law,* said in a recent interview, changing zoning won't solve this problem by itself. We need to make housing more affordable and we need to reduce inequality. Planning does play a crucial role in making our cities more unequal. See our first article in this series, "Post-Coronavirus We

Need a New Way to Plan Cities" for a deeper analysis. Planners need to take decisive actions to make our cities more equitable.

Sample strategies for Desegregation

1. Prioritize new, affordable, price-controlled housing in every neighborhood. Prioritize supportive, permanent housing for people who are currently homeless, in every neighborhood.
2. Enforce fair housing (anti-discrimination). Charge landlords a fair housing fee to expand the number of city staff tasked with enforcing tenant selection and overseeing mortgage lending practices.
3. Prohibit online platforms that use artificial intelligence and other automated systems for tenant and roommate selection, as they have been shown to have racial biases.
4. Support small businesses and neighborhood based nonprofit organizations that provide affordable, culturally and linguistically accessible goods and services for low income and people of color residents.
5. Strengthen enforcement of the Community Reinvestment Act to ensure that commercial banks provide a more equitable distribution of investment and lending products.
6. Prioritize creation of a municipal bank that can provide home loans, down payment assistance, and even small business support with more favorable terms and with greater flexibility and accountability than commercial banks.
7. Make Planning Commission hearings more accessible. Hearings should take place in neighborhoods rather than at City Hall, and during late afternoon or evening hours.
8. Create a phased plan for ending means testing - even "supportive housing" would be based on circumstance and need, not based on income. Our system of means testing is an intentional system of segregation that must be dismantled.
9. Segregation and inequality are public health issues. We need to ensure that quality health facilities are accessible and affordable to everyone in every community as we dismantle systems of segregation and reduce inequality.

AFFORDABILITY

Ensuring that all people regardless of their level of income can afford their housing. The federal standard is that affordable means paying 30% of your income on housing. However, for people with extremely low incomes, 30% may be too much, and for those in very high income brackets, paying more than 30% of income may still be affordable.

Housing is shelter. Unfortunately, capitalism has transformed housing into so many things other than shelter- a "wealth creator", a landing pad for corporate executives, a tourist hotel, office space, event space. Each of these creates price competition and speculative investment expectations that tenants and homebuyers can't compete with.

The median income for a three person household in San Francisco in 2020 is $115,300. This means that there is an equal number of households that make less and more than this income. Based on the national standard of affordability, a household making this much would pay 30% of their income on housing which would be $2,883 per month. The median rent for a 2-bedroom apartment in San Francisco, however, is $4,340 per month which is more than 50% higher than the rent a median income household can afford. This means that well over half of San Francisco's households can't afford housing - so they either have to leave, crowd into a roommate situation, or pay an excessive portion of their income on rent, leaving insufficient money to spend on food, transportation, and other expenses.

The failure of our planners and of our political system stems from their belief that for-profit housing developers will, of their own accord, provide housing at a price that most people can afford. Developers and landlords don't care what the median household income is. They care even less what someone can afford who earns less than the median. They only care whether there's a market for the prices they want to charge. As long as there's a market for high prices, whether that's coming from local residents, corporate leasing platforms, or global investors, they have no incentive to lower the rents or the sales prices as long as someone from somewhere is willing to pay top dollar.

But wait! The COVID-19 crisis has softened the market! Landlords are offering eight to ten weeks of free rent. If you think this is evidence that housing prices are falling, don't be fooled. Offering incentives is a strategy for developers and landlords to keep their prices high for the long term while providing a temporary discount to incentivize people to occupy their units during what they hope is only a temporary downturn.

In the years leading up to the 2008 housing crisis, there was a massive building boom as developers chased the expanding market of homebuyers. When the housing bubble burst, and banks foreclosed on millions of mortgages, did those now-vacant homes become affordable housing that defrauded homeowners and low income and homeless households could then live in? Of course not. Banks tried to sell the properties - and if they couldn't sell them for the prices they wanted, the properties just languished, abandoned and blighted. Cities across the country then had to pay to tear them down - or sometimes the banks tore them down at their own cost- to address the blight they had created through greed and neglect.

That's right, even when developers capitalized on a massive consumer debt scam to finance over-building housing, and banks were then willing to part with those properties for a fraction of their prior value (because the Feds were spending trillions of dollars to guarantee the banks' solvency), we didn't see cities picking up those homes to expand their affordable housing stock; or to provide shelter for the homeless, or even for the homeowners victimized by the banks' predatory loans to move back in. They just tore the vacant homes down while homelessness increased- and is likely to continue to increase further due to the COVID-19 crisis.

To create affordability, the system needs to change. Planners need to stop approving market rate developments, There's no need for more market rate developments. Even before the COVID crisis, San Francisco as an example had over-built its regional allocation of need for market rate housing units and had far under built its allocation of below market rate housing. It also has entitled a pipeline of more than 40,000 new market rate units just waiting to go into construction. Not only have developers built too much market rate housing to address the projected demand, but planners have already approved enough additional market rate development to increase the housing stock of San Francisco, a major US city, by more than 10%. Enough is enough. Every parcel of land entitled or developed as market rate housing is another that won't be affordable.

Creating housing that is affordable for the majority of people– those who can't afford market rate housing– can only be done with deliberate, structural changes to the way we approach housing, and by deliberately, intentionally investing in affordable housing.

Sample strategies for Affordability

1. Stop the approval of market rate housing until there is sufficient affordable housing built.
2. Stop the sale of all publicly owned lands to market rate developers for the purpose of developing any market rate housing. That land should be set aside for development of affordable housing and community serving uses such as small businesses and nonprofits.
3. Make sure the money is available. Some strategies include 1) charging a per square foot fee on big business retail and office space where there are new jobs; 2) creating a municipal or public bank that can provide grants or below market rate financing for affordable housing; 3) progressively higher real estate transfer taxes on sales of high value properties; 4) create an affordable housing trust fund that annually sets aside tax revenues for affordable housing; 5) the feds implemented massive corporate tax reductions in 2017- so implement a local tax on corporate earnings that captures locally at least some of the revenue lost at the federal level.
4. Cities, nonprofit organizations, and community land trusts must aggressively purchase existing apartment buildings in order to stabilize rents.
5. Nonprofit organizations and community land trusts must aggressively purchase sites for development of new affordable housing in every neighborhood.
6. Ban online platforms that transform housing into commercial uses such as "short term rentals" and "intermediate length occupancies", corporate housing, executive housing, commercial and office uses, etc.

PRODUCTION

Building new units of housing to meet future needs of a growing economy.

New housing is needed as our economy continues to grow. Planners and politicians, however, conflate production with affordability and even go so far as to pull desegregation and sustainability into this mash-up, assuming that simply deregulating housing development will solve all our housing problems. This DAPSS framework corrects this misguided thinking by placing the goal of production in its own separate category as a problem that needs to be solved strategically to meet the needs of a growing region. Production must be approached in a way that deliberately meets each of the other strategies of DAPSS– otherwise it is a destructive force.

No longer should we accept the speculative theories that maybe someday for-profit housing developers will build enough that prices will come down so low that most people can then afford them. The continuing displacement, segregation and instability caused by ongoing market rate development, speculation and financialization of housing is destructive and must stop immediately.

UN accuses Blackstone Group of contributing to global housing crisis

Patrick Butler

World's largest corporate residential landlords called out for their practices of inflating rents and 'aggressiv...

Solving the problem of production addresses the need to have a sufficient amount of housing available where people want to live– close to work, close to essential services such as schools, transportation, health care, healthy food. Making sure that there is enough housing in a particular place to support the local economy, so people can live near work and other amenities that support a community, is crucial.

How many new units do we need to produce? Over what period of time? Employment patterns and economic conditions change quickly, especially in times of crisis (as we have seen with hurricanes, fires and most recently with the COVID-19 pandemic). But housing development from the time of site acquisition to completion of construction takes three years or longer.

In order to figure out how many units we need over a period of time, we need an analysis of the units we already have. How many are held vacant (for longer than a typical duration for a unit to turn over)? How many units have been converted to use as short term rentals? Corporate rentals? Commercial and office use rentals? How many units have been entitled, but haven't advanced through the building permit process?

Answers to these questions can give us an accurate assessment of our existing housing stock. Vacant properties and units are resources that we should be able to use to respond to short term changes in the market, and also meet existing unmet demand. These answers will also enable us to look strategically at how and where to build to meet long term demand.

The most important question, however, is who are we producing new housing for?

Production should never be enabled simply to build more units. Each of the DAPSS elements are separate but interlinked, meaning that embarking on a production strategy should always advance all the goals of desegregation, affordability, stability and sustainability first and foremost. Our planners and policymakers have to look to mobilize the government and our nonprofit sector, including community land trusts, to develop as much affordable housing as possible to meet current and future needs of quantity, affordability, and equity.

Sample strategies for Production in a way that deliberately also meets other goals of desegregation, affordability, stability, and sustainability

1. Create a detailed housing inventory that identifies and locates every housing unit including those that are:

- permitted and un-permitted;
- vacant and occupied;
- used as long term housing; and
- used for something other than long term housing, such as tourist rentals or corporate rentals.

2. Prohibit uses in residential buildings that are not long term housing (such as short term rentals, corporate rentals, executive rentals, office and entertainment uses).

3. Charge a fee to property owners who are holding units vacant to make their vacant units available. Each of these units must come available as "below market rate" or "affordable" price controlled units.

4. For developments that received Planning approval (development entitlements) more than five years prior, the city should purchase these developments then develop them as 100% affordable housing. These developers aren’t developing these lots, so these lots and their entitlements should be used for public benefit.

5. Protect publicly owned land to ensure that it's developed for 100% affordable housing.

STABILITY

The ability for people to live securely without threat of eviction or foreclosure.

The constant threat of evictions and foreclosures has a profound and devastating effect on people's health and well-being. Adults, especially women of color, who are responsible for making monthly mortgage or rent payments are not the only ones who suffer. Children and families are more likely to report poor health, high blood pressure, depression, anxiety, and psychological distress when they are not stably housed.

During the COVID-19 pandemic, the displacement threat is even more dire because of concerns about infections and mandates to shelter-in-place. Maintaining employment, especially for essential workers who tend to earn close to subsistence wages, is fragile. Even before the pandemic, however, warnings of evictions leading to homelessness were on the rise. With so many millions of people currently out of work or working sporadically, getting evicted or having their homes foreclosed is even more likely to result in homelessness and increased possible exposure to the deadly coronavirus.

Just cause eviction protections, meaning that a tenant can typically only be evicted for a tenant's breach of the conditions of their lease, help to provide some stability for tenants. These protections help prevent landlords from evicting tenants for speculative reasons such as replacing tenants with "short term rentals" like Airbnb. Just cause protections also prevent evictions when landlords retaliate against tenants who request that repairs be made to address habitability issues.

A rent ceiling like an ambitious program initiated in 2019 in Berlin that covers all units would create a disincentive for landlords to speculate through rent increases. To address its rapidly rising housing costs, in 2017, Canada's largest province, Ontario, proposed an expansion of rent control for every unit in the entire province including Toronto, Canada's largest city. These are bold actions that address the constant threat of displacement from housing costs rising faster than wages.

Perhaps the most powerful strategy for achieving stability is to shift ownership away from profit-motivated landlords and private equity firms seeking short term profits. There are so many models for what this could look like- from large scale government owned "social" housing to networks of community land trusts to government financed systems of resident ownership. A powerful concept for stability is for tenants to be able to purchase their buildings. Programs pioneered in Washington D.C. and San Francisco are designed to take existing apartment buildings off the speculative marketplace and transfer them into the ownership of tenants, nonprofit organizations or the city government. By taking these buildings out of the market, tenants will no longer have massive rent increases or be living under constant threat of other types of profit-motivated evictions.

Sample strategies for Stability

1. Repeal laws that limit where and how rent control can be implemented. Once acts like this are repealed, price controls on rents can be implemented.
2. Enact laws to guarantee that all tenants have "just cause" eviction protections.
3. Create and fund a program for nonprofit organizations and community land trusts and tenants to have first priority to purchase apartment buildings as they come up for sale on the market. Each building successfully purchased in this way will increase the stability of those tenants.
4. Facilitate the creation of nonprofit limited equity cooperatives, so tenants have an affordable path to ownership and stability, and those units will remain affordable as they are bought and sold.
5. Require that landlords disclose the occupancy history of a building prior to receiving approvals for any building alterations. Landlords should not be allowed to evict tenants to move in either short term rental or corporate rental, commercial type uses.
6. Prohibit commercial and short term uses from occupying apartment and homes, especially where existing residents may be evicted or coerced to leave.
7. Strengthen enforcement of the Community Reinvestment Act to end discrimination in lending.
8. Regulate against predatory lending and other banking and financialization practices that put homeowners at risk of foreclosure.
9. Prioritize the formation of municipal banks that can provide loans for tenants to be able to purchase their buildings.

SUSTAINABILITY

Changing our approach to planning so future development contributes to the long term health and sustainability of our environment.

For our future health and resiliency, we need to start thinking about sustainability in terms of changing how our communities and our built environment interact with the natural environment. According to the UN, "Cities house more than half of the world's population and are responsible for over 70% of the world's energy-related carbon emissions, so they could make or break efforts to tackle climate change." Likewise, our corporatized and extractive systems of "agriculture and forestry have contributed nearly a quarter of global greenhouse gas emissions."

California and four other states have adopted "ambitious goals for the development of zero net energy buildings". Although laudable as a step in the right direction, sustainability is not just about reducing the environmental impacts of new buildings. It's about shifting our focus from chasing short term capital investments to long term planning around stewardship of our resources, land and environment. True sustainability demands that we change our focus from private profit to community building, from exploitation to restoration and resilience, and integration with natural systems so our cities evolve and grow in a way that is restorative and regenerative "to feed new life, health and wealth" into our environment.

Under our current system, when planners evaluate zoning and building proposals, they evaluate the potential environmental impacts that the future development might cause. Planners then consider how to mitigate or perhaps lessen the negative impacts of that particular development or re-zoning. This is the kind of planning that has led us on a path toward ecological degradation and global warming, because it's an approach that accepts negative environmental impacts as an inherent quality of growth.

It is imperative, however, to promote a positive impact on the environment and long term sustainability. By establishing a framework of regenerative impacts we want projects and rezoning to meet, and hold them accountable to those standards, we could create a useful economy full of innovative solutions for the real and meaningful problems facing our society.

When addressed strategically, issues of sustainability will directly benefit other DAPSS strategies. Building with new technologies such as passive solar construction will reduce utility and other operating costs, savings that should result in greater affordability due to the reduced monthly expenses. Health impacts from climate change and industry disproportionately burden low-income and people of color communities. By addressing sustainability as a holistic approach to planning and growth, we can improve the health of everyone rather than relying on "trickle down equity" that our planners typically use as a default.

Sustainability can also enhance stability by focusing on preserving our existing built environment. When existing residents are able to continue to stay in their buildings, near work and familiar social infrastructures, displacement and commute times would decrease, achieving both stability and sustainability.

Our boom and bust housing cycles often result in periods of excessive building, then vacant homes are torn down. This is an extremely wasteful cycle. Unless you work in construction, you probably don't think about all the materials (wood, steel, concrete, gypsum, glass, etc.) used during construction. We need to be aware of the waste the development system encourages, and think strategically about how we can instead preserve, adapt, and renovate our existing housing as part of this holistic approach.

Sample strategies for Sustainability

1. Support the federal Green New Deal - but don't wait until politicians in DC figure out how to pass it. We need to start implementing as much of it through local ordinances as possible to refocus planning and invest in innovations that move us as quickly as possible to a future free of fossil fuel dependency.

2. Pass local ordinances that create new criteria for developments and re-zoning that that require proving that these proposals will improve resilience and will restore the environment.

3. Work with your neighbors, and come up with a plan of your own– a vision, with drawings and models if you can– that show how you want your community to develop in a resilient, sustainable way, and hold decision makers accountable to your long term vision.

4. Change Planning Codes to create integrated systems for sustainability, and hold individual developments accountable to them. Minimizing the depletion of natural resources, minimizing shadow, traffic and other impacts on surrounding areas.

5. Further change Planning Codes and other laws to: require that Planning boards or commissions and their staff need to have expertise on sustainability; mandate zero carbon, zero fossil fuels buildings; and mandate criteria based on a life cycle and health assessment for all building materials and systems.

6. Require community gardens in developments and open spaces to provide better stormwater drainage, replenish the groundwater, reduce carbon dioxide, reconnect residents to the land, provide affordable organic food, and new jobs.

7. Require that every development submit a sustainability report as a requirement for approval. This report would disclose the developer's strategies for

- Reducing materials use and waste in the building's construction;

- Eliminating the need for natural gas and other fossil fuels in the building's operations;
- Minimizing the building's monthly operating expenses;
- Eliminating toxic construction and finish materials to ensure healthy air quality for residents and/ or users of the building;
- Protecting sunlight access for surrounding public uses such as parks and schools; and
- Providing community garden space.

8. Support and learn from the Movement Generation's Justice & Ecology Project that integrates grassroots organizing with a practical and clear strategy for changing our values around development.

LONG TERM VISION

What you have just read is an ambitious but pragmatic framework for turning our thinking about housing and land use planning upside down, so people and communities come first.

As we work on these fundamental changes, it's important that we hold onto a larger program for a truly sustainable and equitable future. Below is a teaser list of some of the elements of that long term program. We will explore these principles and strategies in future articles in this series.

1. Protecting tenants and our housing stock against predatory Landlord Technology platforms that evict tenants so they can extract even more profit from lucrative corporate and commercial businesses.
2. Get housing construction and rents out of how countries calculate Gross Domestic Product- otherwise there will constantly be pressure to increase both the price of housing and volume of development as indicators of economic growth. Even better would be to dissociate from Gross Domestic Product altogether and embrace the framework of the Wellbeing Economy Alliance.
3. End the practice of "derivatives" and "securitization" of mortgages and rents. Disallow private equity firms and hedge funds from owning housing. These are speculative entities and practices that are predatory and put people's housing at risk.
4. End "means testing" for housing. We will never truly solve the problems of Affordability and Desegregation if we hold onto the social engineering concept that certain housing is affordable for certain households earning certain levels of income.