

BOARD of SUPERVISORS



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May 6, 2020

File Nos. 200422
200423

Lisa Gibson
Environmental Review Officer
Planning Department
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Ms. Gibson:

On April 28, 2020, Supervisor Yee submitted the following legislation:

File No. 200422

Ordinance amending the Planning Code and Zoning Map to create the Balboa Reservoir Special Use District and rezone the Balboa Reservoir west basin project site generally bounded by the City College of San Francisco Ocean Campus to the east, Archbishop Riordan High School to the north, the Westwood Park neighborhood to the west, and a San Francisco Public Utilities Commission parcel containing a water pipeline running parallel to a mixed-use multifamily residential development along Ocean Avenue to the south; adopting findings under the California Environmental Quality Act; making findings of consistency under the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare under Planning Code, Section 302.

File No. 200423

Ordinance approving a Development Agreement between the City and County of San Francisco and Reservoir Community Partners, LLC, for the Balboa Reservoir Project (at the approximately 17.6-acre site located generally north of the Ocean Avenue commercial district, west of the City College of San Francisco Ocean Campus, east of the Westwood Park neighborhood, and south of Archbishop Riordan High School), with various public benefits, including 50% affordable housing and approximately four acres of publicly accessible parks and open space; making findings under the California Environmental Quality Act, findings of conformity with the General Plan, and with the eight priority policies of Planning Code, Section 101.1(b), and findings of public convenience, necessity, and welfare under

Planning Code, Section 302; approving development impact fees and waiving any conflicting provisions in Planning Code, Article 4, or Administrative Code, Article 10; confirming compliance with or waiving certain provisions of Administrative Code, Section 6.22, and Chapters 14B, 23, 41B, 56, 82, and 83, Planning Code, Sections 169, 138.1, 414A, 415, and 422, Public Works Code, Section 806(d), Subdivision Code, Section 1348, and Health Code, Section 12B; and ratifying certain actions taken in connection therewith, as defined herein.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board



By: Erica Major, Assistant Clerk
Land Use and Transportation Committee

Attachment

c: Joy Navarrete, Environmental Planning
Don Lewis, Environmental Planning

1 [Planning Code and Zoning Map - Balboa Reservoir Special Use District]

2

3 **Ordinance amending the Planning Code and Zoning Map to create the Balboa**
 4 **Reservoir Special Use District and rezone the Balboa Reservoir west basin project site**
 5 **generally bounded by the City College of San Francisco Ocean Campus to the east,**
 6 **Archbishop Riordan High School to the north, the Westwood Park neighborhood to the**
 7 **west, and a San Francisco Public Utilities Commission parcel containing a water**
 8 **pipeline running parallel to a mixed-use multifamily residential development along**
 9 **Ocean Avenue to the south; adopting findings under the California Environmental**
 10 **Quality Act; making findings of consistency under the General Plan, and the eight**
 11 **priority policies of Planning Code, Section 101.1; and making findings of public**
 12 **necessity, convenience, and welfare under Planning Code, Section 302.**

13 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
 14 **Additions to Codes** are in *single-underline italics Times New Roman font*.
 15 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
 16 **Board amendment additions** are in double-underlined Arial font.
 17 **Board amendment deletions** are in ~~strikethrough Arial font~~.
 18 **Asterisks (* * * *)** indicate the omission of unchanged Code
 19 subsections or parts of tables.

20 Be it ordained by the People of the City and County of San Francisco:

21 Section 1. Planning and Environmental Findings.

22 (a) The Balboa Reservoir Project (the "Project") addresses the City's housing
 23 challenges by contributing to the City's goal of creating 5,000 housing units each year. The
 24 Project site was specifically identified in the General Plan for additional housing in close
 25 proximity to local and regional public transportation. The Project implements the goals and
 objectives of the General Plan Housing Element and of the 2009 Balboa Park Station Area

1 Plan that calls for the development of a mixed-use residential neighborhood on the west
2 reservoir to address the citywide demand for housing. The Project also implements the goals
3 of the City's 2014 Public Land for Housing program and the Surplus Public Lands Initiative
4 (Proposition K), that the electorate passed in November 2015, by replacing an underused
5 surface parking lot located on surplus public land with a substantial amount of new housing,
6 including a high percentage of affordable housing.

7 (b) In companion legislation adopting a Development Agreement associated with the
8 Project, the Board of Supervisors adopted environmental findings pursuant to the California
9 Environmental Quality Act (CEQA) (California Public Resources Code Sections 21000 et
10 seq.), the CEQA Guidelines (14 Cal. Code Reg. Sections 15000 et seq.), and Chapter 31 of
11 the Administrative Code. The Board adopts these environmental findings as though fully set
12 forth herein in relation to this ordinance. A copy of said companion legislation is in Board of
13 Supervisors File No. _____ and its environmental findings are incorporated herein
14 by reference.

15 (c) The Planning Commission, in its Motion No. _____ adopted on
16 _____, 2020, made findings that the Project and actions contemplated in this
17 ordinance are consistent, on balance, with the City's General Plan and eight priority policies of
18 Planning Code Section 101.1. The Board incorporates these findings by reference and
19 adopts these findings as though fully set forth herein in relation to this ordinance. A copy of
20 said Planning Commission Motion is in Board of Supervisors File No. _____.

21 (d) Pursuant to Planning Code Section 302, this Board finds that this Planning Code
22 amendment will serve the public necessity, convenience, and welfare for the reasons set forth
23 in Planning Commission Resolution No. _____ and adopted on _____,
24 2020, and the Board adopts such reasons as its own. A copy of said resolution is on file with
25 the Clerk of the Board of Supervisors in File No. _____ and is incorporated herein

1 by reference.

2
3 Section 2. The Planning Code is hereby amended by adding Section 249.88, to read
4 as follows:

5 **SEC. 249.88. BALBOA RESERVOIR SPECIAL USE DISTRICT.**

6 **(a) Purpose and Boundaries.** *A Special Use District entitled the "Balboa Reservoir Special*
7 *Use District" (the SUD) is hereby established, bounded by the City College of San Francisco Ocean*
8 *Campus to the east, Archbishop Riordan High School to the north, the Westwood Park neighborhood to*
9 *the west, and a San Francisco Public Utilities Commission parcel containing a water pipeline that is*
10 *adjacent to a mixed-use multifamily residential development along Ocean Avenue to the south. The*
11 *precise boundaries of the SUD are shown on Sectional Map SU12 of the Zoning Map. The purpose of*
12 *the SUD is to implement the land use controls for the Balboa Reservoir Project, which is subject to a*
13 *Development Agreement, approved by the Board of Supervisors in the ordinance contained in Clerk of*
14 *the Board of Supervisors File No. _____ . The Project will provide several benefits to the City,*
15 *such as a significant amount of new housing, including a high percentage of affordable and educator*
16 *housing, publicly accessible open space, a child care and community facility, retail space, and extensive*
17 *infrastructure improvements, while creating jobs and a vibrant environmentally sustainable community.*

18 **(b) Relationship to Other Planning Code Provisions.** *Applicable provisions of the Planning*
19 *Code shall control except as otherwise provided in this Section 249.88. If there is a conflict between*
20 *other provisions of the Planning Code and this Section 249.88, this Section 249.88 shall prevail.*

21 **(c) Relationship to Design Standards and Guidelines.** *The Design Standard and Guidelines*
22 *("DSG"), adopted by the Planning Commission by Motion No. _____ on _____,*
23 *2020, and as may be periodically amended, sets forth design standards and guidelines applicable*
24 *within the SUD. A copy of the DSG is on file with the Clerk of the Board of Supervisors in File No.*
25 *_____ . Any capitalized term in this Section 249.88, and not otherwise defined in this Section*

1 or elsewhere in the Planning Code shall have the meaning ascribed to it in the DSG. This Section, the
2 remainder of the Planning Code, and the DSG shall be read and construed together so as to avoid any
3 conflict to the greatest extent possible. If there is a conflict between the DSG and either this Section or
4 the remainder of the Planning Code, this Section or the other provision of the Planning Code shall
5 prevail. Subject to this Section 249.88(c), if a later amendment to any provision of the Planning Code,
6 including this Section 249.88, results in a conflict with the DSG, such amended Planning Code
7 provision shall prevail. Amendments to the DSG may be made by the Planning Commission upon
8 initiation by the Planning Department or upon application by Developer, but if there is a conflict
9 between an amendment to the DSG and this Section or the remainder of the Planning Code, as
10 applicable, this Section or other provision of the Planning Code shall prevail unless and until such time
11 as this Section or the remainder of the Planning Code is amended to be consistent with the amendment
12 to the DSG. The Planning Director may approve minor amendments to the DSG to clarify its
13 provisions. For the purposes of this subsection (c), “minor amendments” shall be defined as
14 amendments necessary to clarify omissions or correct inadvertent mistakes in the DSG and are
15 consistent with the intent of the DSG, the SUD, the General Plan, and the Development Agreement.

16 **(d) Relationship to the Development Agreement.** This Section 249.88 shall be read and
17 construed consistent with the Development Agreement, and all development within the Project Site that
18 is subject to the Development Agreement shall satisfy the requirements of the Development Agreement
19 for so long as the Development Agreement remains in effect.

20 **(e) Definitions.** For purposes of this Section 249.88, the following definitions shall apply. If
21 not expressly superseded by definitions set forth in this subsection (e), all definitions of the Planning
22 Code shall apply.

23 “Active Use” means use that consists of a Retail Sales and Service, Entertainment, Arts,
24 Recreation, Child Care, Community Facility, or Residential use.

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1 “Block” means a Building Project block or a Publicly Accessible Open Space block as depicted
2 on Figure 249.88-1.

3 “Building Project” or “Building” means the construction of a building or group of buildings
4 within the Project Site.

5 “Building Standards” means the standards applicable to Building Projects and any associated
6 privately-owned open spaces within the SUD, consisting of the standards specified in subsection (g)
7 below and the standards and guidelines designated as such in the DSG. It does not mean Building Code
8 requirements under either the California or San Francisco Building Codes, which this Section 249.88
9 and the DSG do not override.

10 “Cart” means a mobile structure used in conjunction with food service and/or retail uses, that
11 operates intermittently in a publicly accessible open space, and that is removed daily from such open
12 space during non-business hours.

13 “Design Standards and Guidelines” or “DSG” shall mean the Balboa Reservoir Design
14 Standards and Guidelines adopted by Planning Commission Motion No. _____, as may be
15 amended from time to time. The Design Standards and Guidelines is incorporated into this Section
16 249.88 by reference.

17 “Developer” means the BHC Balboa Builders, LLC, a California limited liability company, or
18 its successor(s). Developer also may be an applicant.

19 “Development Agreement” means the Development Agreement by and between the City and the
20 Developer, approved by the Board of Supervisors by the ordinance in Board File No. _____,
21 and as the Development Agreement may be amended from time to time.

22 “Development Phase Application” means an application for each Building phase of the Project
23 that describes at a minimum, the Block numbers, the Master Infrastructure Plan elements, and vertical
24 improvements proposed in the phase, including number and sizes of affordable housing units, number
25 and sizes of market rate housing units, and square footage of retail, arts activity, community facility

1 and child care square space, and publicly accessible open space. The Development Phase Application
2 also shall include a list of any requested Minor or Major Modifications that are contemplated to be
3 requested in the phase.

4 “Frontage” means the vertical exterior face or wall of a Building and its linear extent that is
5 adjacent to or fronts on a street, right-of-way, or open space.

6 “Kiosk” means a Building or other structure that is set upon the ground and is not attached to a
7 foundation, such as a shipping container, trailer, or similar structure, from which food service and/or
8 retail business is conducted. A Kiosk may operate in a Publicly Accessible Open Space, and remain in
9 place until the business operation is terminated or relocated.

10 “Major Modification” means a deviation of more than 10% from any dimensional or numerical
11 standard in the Planning Code, this Section 249.88, or in the DSG, except as explicitly prohibited per
12 subsection (g) below.

13 “Mass Reduction” means one or more breaks in a Building that reduce the horizontal scale of
14 the Building into discrete sections.

15 “Master Infrastructure Plan” or “MIP” shall mean the Balboa Reservoir Master
16 Infrastructure Plan approved by the Board of Supervisors as part of the Development Agreement and
17 found in Clerk of the Board of Supervisors File No. _____, and as may be amended from time
18 to time.

19 “Minor Modification” means a deviation of up to 10% from any dimensional or numerical
20 standard in the Planning Code, this Section 249.88, or in the DSG, except as explicitly prohibited per
21 subsection (g) below, or any deviation from any non-dimensional or non-numerical standard in the
22 DSG.

23 “Privately-Owned Community Improvement,” means those facilities and services that are
24 privately-owned and privately-maintained, at no cost to the City (other than any public financing set
25 forth in the Financing Plan, a Development Agreement exhibit), for the public benefit, but not

1 dedicated to the City. Privately-Owned Community Improvements include certain pedestrian paseos,
2 storm drainage facilities, publicly accessible open spaces.

3 “Project” means the Balboa Reservoir Project.

4 “Project Site” means the approximately 16.5 acre site shown on Figure 249.88-1 that is within
5 the SUD. The 80-foot wide strip of land along the southern boundary of the west basin that contains
6 SFPUC pipelines is regulated by the Development Agreement, but is not part of the Project Site or
7 within the SUD and remains within a P (Public) zoning district.

8 “Publicly Accessible Open Space” means a usable open space that is accessible to the public,
9 including an unenclosed park or garden at street grade or following the natural topography,
10 improvements to hillsides or other unimproved public areas, an unenclosed plaza at street grade, or an
11 unenclosed pedestrian pathway, or a shared pedestrian/vehicular right-of-way.

12 “Residential Use” means uses that provide housing for San Francisco residents, rather than
13 visitors, including Dwelling Units, Group Housing, Senior Housing, and Student Housing.

14 “Multifamily Housing” means a residential Building where multiple separate housing units for
15 residential inhabitants are contained within one Building.

16 “Retail Sales and Services” means the use described in Section 102, except for Retail
17 Automobile Uses, Adult Business, Hotel, Motel, and Self-Storage.

18 “Step Back” means a reduction of one or more stories in a portion of one or more upper stories
19 of a Building.

20 “Streetwall” means a continuous façade of a Building and/or Buildings along a street
21 Frontage.

22 “Townhouse” means a single-family dwelling unit with at least two floors that shares a wall
23 with another dwelling and with direct access into the dwelling unit from a street or Publicly Accessible
24 Open Space that does not require access through a lobby, corridor, or other common indoor space
25 shared with other housing units.

1 (f) **Development Controls.** This SUD, as established in Section 249.88, and other Planning
2 Code Sections referenced herein establish all zoning controls for the Project Site.

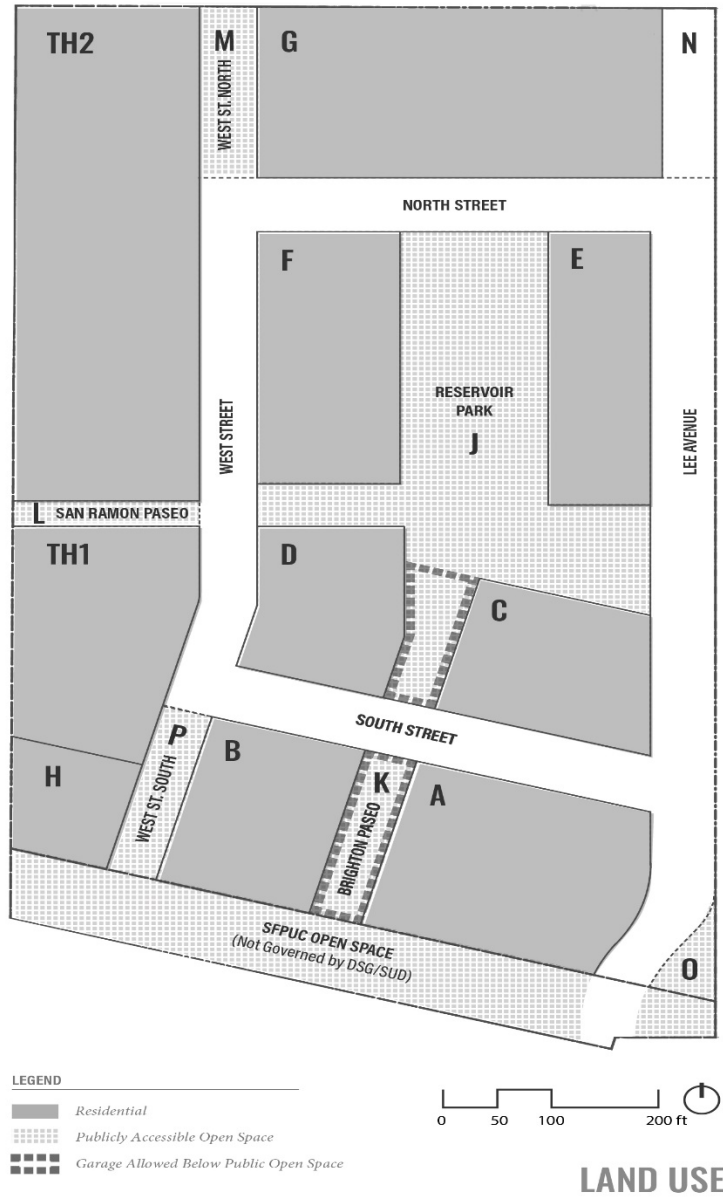
3 (g) **Uses.**

4 (1) **Balboa Reservoir Special Use District Zoning Designations.** As shown on the
5 Zoning Map, the SUD is co-terminus with the Balboa Reservoir Mixed Use District (BR-MU). This
6 SUD, as established in Section 249.88, and other Planning Code Sections referenced herein establish
7 all zoning controls for the BR-MU district.

8 (2) **Permitted Uses.** The following Uses set forth in Table 249.88-1: Balboa Reservoir
9 Land Uses shall be permitted within the different Blocks of the SUD shown in Figure 249.88-1, where P
10 means Permitted Use and NP means Non-permitted Use. All other uses not stated are prohibited.

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Figure 249.88-1 Balboa Reservoir Land Use Map



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Table 249.88-1 Balboa Reservoir Land Uses

	A	B	C	D	E	F	G	H	TH1	TH2	J	K, L, M, O, P
Permitted Use Category												
Publicly Accessible Open Space	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>
Residential Use	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P(1)</i>	<i>P(1)</i>	<i>NP</i>	<i>NP</i>
Child Care Facility	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P(4)</i>	<i>P(4)</i>
Community Facility (2), (3)	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>NP</i>	<i>NP</i>	<i>NP</i>	<i>NP</i>
Retail Sales and Services (2)	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>NP</i>	<i>NP</i>	<i>NP</i>	<i>NP</i>	<i>NP</i>
Arts Activities (2)	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>NP</i>	<i>NP</i>	<i>NP</i>	<i>NP</i>	<i>NP</i>
Carts and Kiosks (5)	<i>NP</i>	<i>NP</i>	<i>N</i> <i>P</i>	<i>N</i> <i>P</i>	<i>N</i> <i>P</i>	<i>N</i> <i>P</i>	<i>NP</i> <i>P</i>	<i>NP</i>	<i>NP</i>	<i>NP</i>	<i>P</i>	<i>NP</i>
Public Parking Garage	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>NP</i>	<i>NP</i>	<i>P(6)</i>	<i>NP</i>

(1) Only Townhouse units are allowed

(2) All non-residential uses except multi-story parking garages are allowed only

1 on the ground floor and below

2 (3) As defined in Section 102, except Health Care uses are not allowed

3 (4) Child care open space only

4 (5) Carts and Kiosks are allowed in Block J subject to Subsection (g)(8)(N)

5 (6) Below grade only as shown in Figure 249.88-1

6 (3) **Temporary Uses.** Temporary Uses are permitted consistent with Planning Code
7 Sections 205.1 through 205.4 for Neighborhood Commercial Districts.

8 (4) **Interim Uses.**

9 (A) Prior to completion of the Project, one or more Public or Private Parking
10 Lots, including construction worker parking lots, shall be permitted without regard to the provisions
11 regulating automobile parking set forth in Sections 155, 156, 303(t) or (u), and other provisions of
12 Article 1.5 of this Code, and such parking lot(s) shall not be required to be surrounded by a fence or
13 wall.

14 (B) Prior to completion of the Project, certain other interim uses may be
15 authorized for a period not to exceed five years by the Planning Director, without a public hearing if
16 the Planning Director finds that such Interim Use will not impede orderly development consistent with
17 this Section 249.88, the DSG, and the Development Agreement. Any authorization granted pursuant to
18 this subsection 249.88(g)(4)(B) shall not exempt the Developer from obtaining any other permit
19 required by law. Additional time for such uses may be authorized upon a new application for the
20 proposed Interim Use. Permitted Interim Uses shall include, but are not limited to:

21 (i) Retail Sales and Services;

22 (ii) Entertainment, Arts, and Recreation, including but not limited to
23 temporary art installations, exhibits, and sales, recreational facilities and uses (such as play and
24 climbing structures and outdoor fitness classes), and temporary structures to accommodate events
25 (such as stages, seating, and support facilities for patrons and operations);

1 (iii) Institutional Education Use, including but not limited to after-school
2 day camp and activities;

3 (iv) Site management service, administrative functions, and customer
4 amenities and associated loading;

5 (v) Rental or sales offices incidental to new development; and

6 (vi) Trailers, recreational vehicles, or other temporary housing for
7 construction workers, seasonal labor, or other workforce employment needs.

8 (5) Residential Density. The dwelling unit and group housing density limits applicable
9 in the RM-3 District, as it may be modified pursuant to Section 304, shall govern residential density
10 within the SUD. However, greater residential density than permitted in an RM-3 District may be
11 provided on individual Blocks, as long as the overall density of the SUD does not exceed the density
12 allowed in a RM-3 District, as it may be modified pursuant to Section 304, for the entire SUD.

13 (6) Minimum Dwelling Unit Mix. No less than 25% of the total aggregate number of
14 proposed dwelling units in the SUD shall contain at least two bedrooms, and no less than 10% of the
15 total aggregate number of proposed dwelling units in the SUD shall contain at least three bedrooms.
16 The minimum dwelling unit mix may be less on any individual Block than otherwise required provided
17 the total dwelling unit mix in the SUD shall not be less than the minimum dwelling unit mix upon
18 completion of the Project.

19 (7) Floor Area Ratio. There shall be no floor-area-ratio limit within the SUD.

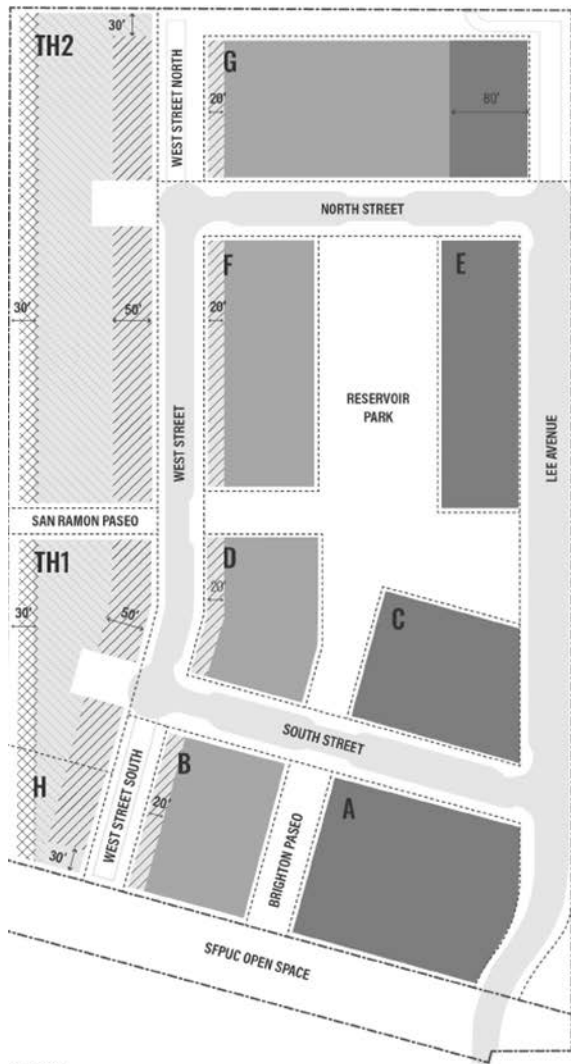
20 (8) Building Standards.

21 (A) Building Height. For purposes of the SUD, the height limits shall be as set
22 forth in Section Map HT12 of the Zoning Map and as further limited and detailed in Figure 249.88-2:
23 Building Height Maximums, and as further governed by this Section 249.88(g)(8)(A). The features set

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Figure 249.88-2 Height Limit Map



	2 Stories, 25 Feet
	3 Stories, 35 Feet
	4 Stories, 48 Feet
	6 Stories, 68 Feet
	7 Stories, 78 Feet

HEIGHT CONTROLS

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1 forth in Section 260(b)(1) and those below may extend above the maximum allowable height provided
2 the sum of the horizontal areas of said features do not exceed 40 percent of the rooftop area and do
3 not encroach into the required step back at upper floors as required below:

4 (i) Solar energy collection devices shall be allowed to a maximum height
5 of 10 feet.

6 (ii) Rooftop enclosed utility sheds designed exclusively for the storage of
7 landscaping, gardening supplies, and related equipment for living roofs shall be allowed, provided they
8 do not exceed 100 square feet of gross area and a maximum height of 10 feet.

9 (iii) Projections above the allowable height necessary to accommodate
10 additional ceiling height at common amenity spaces located on the top floor shall be allowed to a
11 maximum ceiling height of 10 feet average measured to finished surface at ceiling.

12 (iv) Non-occupied architectural features, including wind screens shall be
13 allowed up to 8 feet above the allowable height.

14 (B) **Building Bulk.** There are no bulk limits in this SUD.

15 (C) **Setbacks.** Minimum setbacks of the façade of Buildings from street rights of
16 way and from publicly accessible open space shall be provided in the locations and depth shown in
17 Figure 249.88-3.

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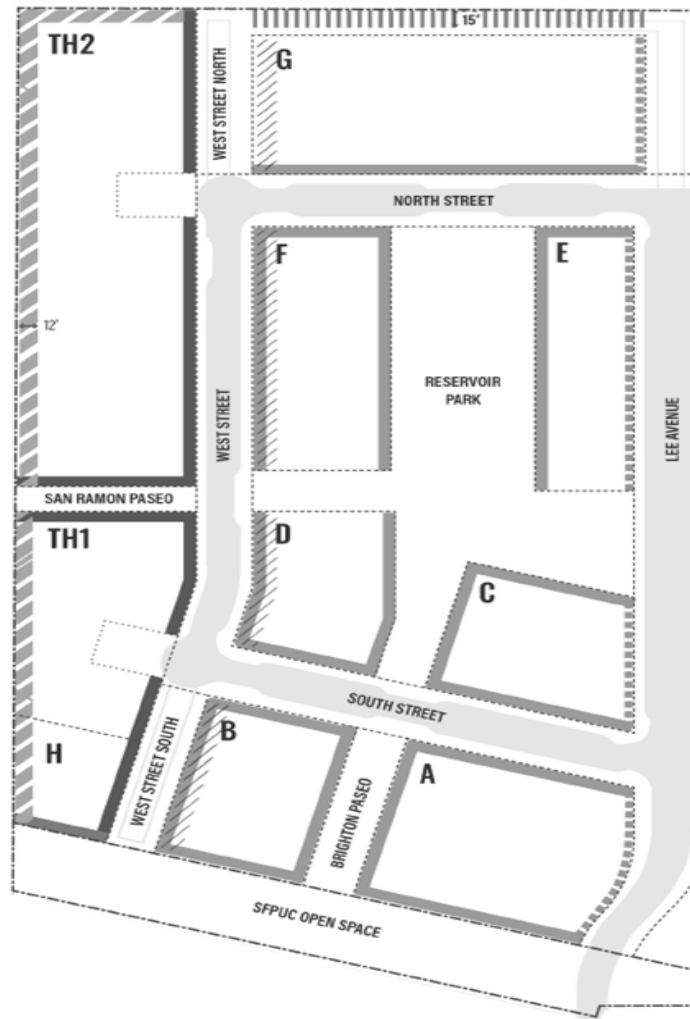
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Figure 249.88-3 Minimum Building Setbacks



LEGEND

- Type A, Lee Avenue, 5 Foot Setback at Ground Floor
- ▬ Type B, Streets and Open Space, 5 Foot Setback
- ▬ Type C, Townhouses, 5 Foot Setback
- ▨ Type D, 12 Foot Setback at Project Boundary
- ▤ Type E, 15 Foot Setback at Project Boundary

MINIMUM BUILDING SETBACKS

(D) Streetwall. A streetwall is required at all Building frontages facing public right of ways, publicly accessible open spaces, and paseos. The required streetwalls shall be located at

1 the setback line or at the property line where there is no setback control. Streetwalls may be offset
2 from the setback line or property line by not more than two feet towards the interior of the Block.
3 Streetwalls shall be provided at not less than 60% of the total area of the Building facade area.
4 Openings to interior courtyards and other breaks in the streetwall that are required under Mass
5 Reduction shall not count towards the required streetwall.

6 (E) **Mass Reduction.** Buildings taller than 40 feet with a frontage exceeding
7 180 feet in length shall incorporate at least one of the following Mass Reduction strategies:

8 (i) **Exterior Recess.** Provide a recess at Building exterior with a minimum
9 width of 15 feet and minimum depth of 10 feet from the Building wall extending vertically for height at least
10 75% of the height of the facade. The recess may start at second floor or may terminate at the top floor.

11 (ii) **Vertical Elements.** Provide a combination of elements consisting of
12 recess and/or projection with a minimum width of 10 feet, minimum depth of five feet, and extending
13 vertically for a height equal to at least 75% of the height of the facade. The cumulative base footprint area
14 of all vertical elements on a frontage shall equal a minimum of 150 square feet to qualify as a mass
15 reduction strategy. Balconies at vertical elements are allowed if the railings are visually differentiated from
16 the main facade.

17 (iii) **Alternative means of satisfying the mass reduction requirement for all**
18 Blocks shall be as set forth in the DSG.

19 (F) **Step Backs at Upper Floors.** Each of the Buildings on Blocks A, B, C, D, E,
20 F, and G shall provide one or more step backs at the top floor. The intent of the step backs is to
21 articulate Building silhouettes and to provide potential locations for roof terraces overlooking the
22 shared open space. The required height reduction along West Street shall not count towards the
23 required step back.

24 (i) **Blocks A, C, and E shall provide a one-story contiguous step back**
25 equal to 15% of the roof area or one-story non-contiguous step backs equal to 25% of the roof area.

1 The contiguous step backs shall have a minimum horizontal dimension of not less than 20 feet.

2 (ii) Blocks B, D, F, and G shall provide a top floor step back equal to
3 10% of the roof area. These step backs may be located in a single contiguous element or may be
4 comprised of multiple elements provided each step back area has a minimum horizontal dimension of
5 not less than 10 feet in all directions.

6 **(G) Setback Requirements; Waiver of Planning Code Sections 132, 133, and**
7 **134.** Rear yard, side yard, or front yard setback requirements shall be set forth in the SUD and DSG in
8 lieu of the provisions of Section 132, 133, and 134.

9 **(H) Unit Exposure.** For all residential units, the required window (as defined
10 by Section 504 of the San Francisco Housing Code) of at least one room that meets the requirement of
11 Section 503 of the Housing Code shall face directly onto an open area of one of the following types:

12 (i) A public street, public alley, or paseo at least 25 feet in width in
13 Blocks A, B, C, D, E, F, and G, and 20 feet in width in Blocks TH1, TH2, and H.

14 (ii) An open area, an inner court, or a space between separate Buildings
15 on the same Block, which is unobstructed (except for obstructions listed in Planning Code Section 136)
16 and is no less than 25 feet in every horizontal dimension in Blocks A, B, C, D, E, F, and G or 20 feet in
17 every horizontal dimension in Blocks TH1, TH2, and H.

18 **(I) Usable Open Space.** The usable open space requirement for dwelling units
19 shall be 40 square feet of private or common usable open space per unit. For Group Housing, the
20 minimum usable open space requirements shall be one-third the amount specified in this subsection (I)
21 for a dwelling unit. Required usable open space shall be on the same Block as the unit it serves.
22 Publicly Accessible Open Space, streets, and paseos on Blocks J, K, L, M, N, O, and P shall not count
23 towards the required on-site usable open space.

24 (i) Any space credited as private usable open space shall have a
25 minimum horizontal dimension of five feet and a minimum area of 35 square feet.

1 (ii) Any space credited as common usable open space shall have a
2 minimum horizontal dimension of 10 feet and a minimum area of 150 square feet.

3 (iii) Inner courts in which the enclosing Building walls are four stories
4 or more in height shall be large enough to inscribe a rectangular area 30 feet by 40 feet within the
5 enclosing walls.

6 (iv) Outer courts in which enclosing Building walls are four stories or
7 more shall be large enough to inscribe a rectangular area 25 feet by 25 feet within the enclosing walls.

8 (v) Space that is accessible for automobiles shall not count towards
9 usable open space in any Block.

10 (J) Ground Floor Floor-to-Floor Height. The minimum ground floor floor-to-
11 floor height of non-residential uses, lobbies and residential common areas shall be 15 feet in Blocks A,
12 B, C, and D and 12 feet in Blocks E and F. The minimum ground floor floor-to-floor height for
13 residential uses shall be 10 feet, except for townhouse units which shall have no minimum floor-to-floor
14 height.

15 (K) Ground Floor Activation. The ground floor activation standards set forth
16 in Sections 7.10, 7.20, and 7.21 of the DSG shall apply in the SUD.

17 (L) Parking Garages. The standards and guidelines for the location, depth,
18 and exterior frontages of parking garages set forth in Section 7.20 and 7.21 of the DSG shall apply in
19 the SUD. With the exception of space allowed for parking and loading access, Building egress, and
20 Building services, above grade parking on any Block shall be wrapped at all stories with a liner of
21 Active Use not less than 20 feet in depth from all facades facing streets and Publicly Accessible Open
22 Spaces.

23 (M) Signage. One identifying sign shall be permitted for each residential
24 Building, except for townhouse Blocks, where one identifying sign shall be permitted per Block. Sign
25 controls set forth in Section 607.1 for RC Districts shall apply to signs for non-residential uses.

1 (N) Carts and Kiosks. The standards and guidelines for Kiosks and Carts set
2 forth in the DSG shall apply in the SUD.

3 (9) Off-Street Automobile Parking and Loading. The location and design standards
4 for off-street automobile parking shall be governed by the DSG. There is no minimum off-street
5 parking or loading requirement for any use in the SUD, except that there shall be a minimum of 200
6 off-street parking spaces in the SUD, and that Buildings in Blocks A, B, C, D, E, F, and G containing
7 100,000 gross square feet or more of residential space and a parking garage shall provide at least one
8 off-street loading space meeting the dimensional requirements of standard 7.24.2 of the DSG.

9 (A) Maximum Off-Street Parking. The number of off-street parking spaces
10 within this SUD shall not exceed the following:

11 **Table 249.88-2: Maximum Off-Street Parking Spaces per Land Use**

<u>Land Use</u>	<u>Off-Street Parking Ratio</u>
<u>Dwelling Units</u>	<u>0.5 space per unit</u>
<u>Group Housing</u>	<u>1 space per three bedrooms</u>
<u>All Non-Residential Uses</u>	<u>1 space per 500 gross square feet of Occupied</u> <u>Floor Area</u>
<u>Public Parking</u>	<u>450 spaces</u>

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19 Parking amounts for dwelling units, group housing, and non-residential uses may be greater on any
20 individual Block than otherwise allowed by Table 249.88-2 provided the total number of spaces in the
21 SUD shall not exceed the maximum upon completion of the Project. The maximum number of spaces
22 for the Public Parking Garages shown in Table 249.88-2 shall be reduced if the parking spaces for
23 dwelling units or group housing are allowed to be used as public parking during any part of the day.
24 The maximum number of spaces for the Public Parking Garages also shall be reduced in the event the
25 Developer enters into an agreement with adjacent property owner(s) to fund or build public parking on

1 the adjacent site to the east of the Project. The Planning Director shall determine whether these
2 conditions are met pursuant to Transportation Exhibit, Exhibit J, of the Development Agreement. Car
3 share parking spaces shall be provided in the amounts set forth in Section 166. The width and location
4 of vehicular openings shall be as set forth in the DSG.

5 (B) Driveway and Loading Operations Plan. The purpose of a Driveway and
6 Loading Operations Plan (DLOP) is to reduce potential conflicts between driveway and loading
7 operations, such as passenger and freight loading activities, and pedestrians, bicycles, and vehicles.
8 The goal of the plan is to maximize utilization of off-street space to accommodate loading demand, and
9 to ensure that off-street loading is considered and attempted, to the extent physically and feasibly
10 possible, in the design of new Buildings. The Developer shall prepare a DLOP in accordance with the
11 Planning Code, Planning Department guidelines, and any standard environmental conditions.

12 (10) Bicycle Parking. Bicycle parking shall be provided as required by the Planning
13 Code.

14 (11) Waiver of Planning Code Section 138.1. The streetscape design set forth in the
15 Master Infrastructure Plan and DSG sets forth the standards for pedestrian and streetscape
16 improvements in the SUD.

17 (12) Waiver of Planning Code Section 169. The transportation demand management
18 provisions included in the Development Agreement shall govern in the SUD in lieu of the provisions of
19 Section 169.

20 (13) Compliance with Article 4 of the Planning Code.

21 (A) Inclusionary Housing Requirements. The provisions of Sections 415 et
22 seq. shall not apply, except as otherwise stipulated in the Development Agreement.

23 (B) Other Impact Fees. For so long as the Development Agreement remains in
24 effect, the Developer impact fees payable for any Building Project will be determined in accordance
25 with the Development Agreement.

1 (14) Relationship to State or Local Density Bonus Programs. *In exchange for the*
2 *benefits expressed in the Development Agreement and this Section 249.88, and as set forth in the*
3 *Development Agreement, any Building Projects within the SUD shall not be eligible for additional*
4 *density or modifications to development standards allowed in any State or local law allowing*
5 *additional density or modifications to development in exchange for on-site affordable housing,*
6 *including but not limited to the State Density Bonus Law (California Government Code Sections 65915*
7 *et seq.), the Affordable Housing Bonus Program (Planning Code Sections 206 et seq.), and Planning*
8 *Code Sections 207 et seq.*

9 (15) Modifications to Building Standards and Use Requirements.

10 (A) No Modifications or Variances. *No variances, exceptions, modifications, or*
11 *other deviations from the requirements and standards of the Planning Code, including the SUD, and of*
12 *the DSG are permitted except through the procedures for granting of Minor and Major Modifications*
13 *established in the SUD. No modifications or variances are permitted for maximum Building height or*
14 *maximum automobile parking spaces.*

15 (B) Modification of Other Building Standards and Use Requirements. *A*
16 *dimensional or numerical standard may be modified only as provided in subsection (i), on a project-by-*
17 *project basis. In order to grant a Minor or Major Modification, the Planning Director or Commission*
18 *must find that the proposed Minor or Major Modification achieves equal or superior design quality and*
19 *public benefit as strict compliance with the applicable standard and meets the intent of the SUD and*
20 *the DSG.*

21 (C) Minor Modifications. *The Planning Director may approve a Minor*
22 *Modification administratively in accordance with the procedures set forth in subsection (i).*

23 (D) Major Modifications. *The Planning Commission may approve an*
24 *application for a Major Modification in accordance with the procedures set forth in subsection (i).*

25 *///*

1 (h) **Project Review and Approval.** In lieu of the procedures set forth in Planning Code Article
2 3, the following project review and approval procedures shall apply in the SUD.

3 (1) **Purpose.** The design review process for this SUD is intended to ensure that new
4 Building Projects are designed to complement the aesthetic quality of the development, exhibit high
5 quality architectural design, and promote the purpose of this SUD.

6 (2) **Development Phase Application.** Consistent with the Development Agreement, the
7 Developer shall submit a Development Phase Application to the Planning Director for approval, and
8 no development may be approved within a Development Phase until after the Planning Director issues
9 a Development Phase Application approval. The Development Phase Application process, as set forth
10 in the Development Agreement, is to ensure that all Publicly Accessible Open Space and Building
11 Projects within a development phase are consistent with the Development Agreement and the SUD.
12 Planning shall review Development Phase Applications within 30 days of receipt in order to determine
13 completeness. If the Planning Director fails to respond within such 30-day period, the Development
14 Phase Application will be deemed complete. The Planning Director shall act on a Development Phase
15 Application within 60 days after submittal of a complete Development Phase Application. Changes
16 proposed by the Planning Department will be reasonably considered by Developer, and changes
17 proposed by Developer will be reasonably considered by the Planning Department. If there are no
18 objections, or upon resolution of any differences, the Planning Director shall approve the Development
19 Phase Application with such revisions, comments, or requirements as may be permitted in accordance
20 with the terms of the Development Agreement and the phasing plan.

21 (3) **Concurrent Submittal of Development Phase Application and Design Review**
22 Application. Applications for design review may be submitted concurrently with or subsequent to a
23 Development Phase Application. When submitted concurrently, the time limits for the Planning
24 Department review of completeness and design review described in subsection (i) shall not commence
25 until after the Planning Director has issued a Development Phase Application approval. The Planning

1 Department shall approve only those applications for individual Buildings that are consistent with a
2 Development Phase Application approval. To ensure that Building Projects and Privately-Owned
3 Community Improvements meet the requirements of the Planning Code, including this Section 249.88,
4 and the DSG, Developer shall submit a Design Phase Application and receive approval from the
5 Planning Director, or, if required, the Planning Commission before obtaining any permits for the
6 applicable construction. Standards and limitations on design review approval are set forth in
7 subsection (i) below. Nothing in this Section 249.88 limits the Charter authority of any City
8 department or commission or the rights of City agencies to review and approve proposed infrastructure
9 as set forth in the Development Agreement.

10 **(i) Design Review Applications and Process.**

11 **(1) Applications.** Each design review application shall include the documents and
12 other materials necessary to determine consistency with the Planning Code, this Section 249.88, and
13 the DSG, including site plans, floor plans, sections, elevations, renderings, landscape plans, a DLOP,
14 and exterior material samples to illustrate the overall concept design of the proposed Buildings.
15 Design review applications also should contain information on dwelling unit count and type, parking,
16 and other building characteristics typical of Planning Department development applications. If
17 Developer requests a Major or Minor Modification, the application shall describe proposed changes in
18 reasonable detail, and to the satisfaction of the Planning Director, including narrative and supporting
19 images, if appropriate, and a statement of the purpose or benefits of the proposed Minor or Major
20 Modification(s). As part of design review application process, the Planning Director shall consult with
21 the San Francisco Municipal Transportation Agency regarding the Developer's DLOP.

22 **(2) Completeness.** Planning Department staff shall review the application for
23 completeness and advise the Developer in writing of any deficiencies within 30 days of the date of the
24 application or, if applicable, within 15 days after receipt of any supplemental information requested
25 pursuant to this section.

1 **(3) Design Review of Buildings and Privately-Owned Community Improvements.**

2 **(A) Building Pre-Application Meeting.** *Prior to submittal of a design review*
3 *application for a Building, the Developer shall conduct a minimum of one pre-application public*
4 *meeting. The meeting shall be conducted at, or within a one-mile radius of, the Project Site, but*
5 *otherwise subject to the Planning Department’s pre-application meeting procedures, including but not*
6 *limited to the submittal of required meeting documentation. A Planning Department representative*
7 *shall be invited to such meeting.*

8 **(B) Publicly Accessible Open Space Outreach.** *Prior to submittal of a design*
9 *review application for a Publicly Accessible Open Space, the Developer shall conduct a minimum of*
10 *one pre-application public meeting on design of the Publicly Accessible Open Space. The Developer*
11 *shall conduct a minimum of one additional public meeting prior to any approval action on the*
12 *application. Additional meetings may be required at the discretion of the Planning Director. The*
13 *meetings shall be conducted at, or within a one-mile radius of, the Project Site, and the pre-application*
14 *meeting shall be subject to the Planning Department’s pre-application meeting procedures, including*
15 *but not limited to, the submittal of required meeting documentation. Developer shall invite a Planning*
16 *Department representative to such meetings.*

17 **(C) Design Review Process.** *Following submittal of the design review*
18 *application, upon a determination of completeness, Planning Department staff shall conduct design*
19 *review and prepare a staff report determining compliance with this Section 249.88, the Planning Code,*
20 *and the DSG, including a recommendation regarding any Minor or Major Modifications sought. The*
21 *Planning Department staff shall deliver the report to the Developer and any third parties requesting*
22 *notice in writing, shall be kept on file, and shall be posted on the Department’s website for public*
23 *review within 60 days of the determination of completeness. If Planning Department staff determines*
24 *that the design is not compliant with this Section 249.88, the Planning Code, or the DSG, the Developer*
25 *may resubmit the application, in which case the requirements of this subsection (i) for determination of*

1 completeness, staff review, and determination of compliance, and delivery, filing, and posting of the
2 staff report, shall apply anew.

3 (4) Approvals and Public Hearings for Buildings and Privately-Owned Community
4 Improvements.

5 (A) Buildings and Privately-Owned Community Improvements Seeking No
6 Modifications. Within 10 days after the delivery and posting of the staff report on the design review
7 application, the Planning Director shall approve or disapprove the design based on its compliance with
8 the Planning Code, including this Section 249.88, the DSG, and the General Plan. If the design review
9 application is consistent with the numeric standards set forth in this Section 249.88 and the DSG, the
10 Planning Director's discretion to approve or disapprove the design review application shall be limited
11 to the Developer's consistency with the non- numeric and non-dimensional elements of the DSG and
12 the General Plan.

13 (B) Buildings and Privately-Owned Community Improvements Seeking Minor
14 Modifications. Within 10 days after the delivery and posting of the staff report on the design review
15 application including a Minor Modification, the Planning Director, shall approve or disapprove any
16 Minor Modification based on its compliance with the Planning Code, including this Section 249.88, the
17 DSG, and the General Plan. Notwithstanding any other provisions of this Section 249.88, the Planning
18 Director, at his or her discretion, may refer any application that proposes a Minor Modification to the
19 Planning Commission if the Planning Director determines that the proposed Minor Modification does
20 not meet the intent of the DSG or the SUD.

21 (C) Buildings and Privately-Owned Community Improvements Seeking Minor
22 or Major Modifications. If the design review application seeks one or more Major Modifications, or if
23 the Planning Director refers a design review application that proposed a Minor Modification to the
24 Planning Commission, the Planning Commission shall calendar the item for a public hearing, subject
25 to any required noticing. For purposes of this subsection (C), Minor Modifications and Major

1 Modifications shall be collectively referred to as Major Modifications. The Planning Commission's
2 review shall be limited to the proposed Major Modification. The Planning Commission shall consider
3 all comments from the public and the recommendations of the staff report and the Planning Director in
4 making a decision to approve or disapprove the granting of any Major Modifications.

5 (D) **Notice of Hearings.** In addition to complying with the notice requirements
6 of the Brown Act and the Sunshine Ordinance, notice of Planning Commission hearings shall be
7 provided as follows:

8 (i) by mail not less than 20 days prior to the date of the hearing, to the
9 Developer, to residents within 300 feet of the exterior boundaries of the property that is the subject of
10 the application, using for this purpose the names and addresses as shown on the citywide assessment
11 roll in the Office of the Tax Collector, and to any person who has requested such notice; and

12 (ii) by posting on the subject property not less than 10 days prior to the
13 date of the hearing.

14 (j) **Building Permits.** Each building permit application submitted to the Department of
15 Building Inspection for Buildings shall be forwarded to the Planning Department for review of the
16 application's consistency with the authorizations granted pursuant to this Section 249.88.

17 (k) **Discretionary Review.** The Planning Department shall not accept, and the Planning
18 Commission shall not hear, requests for discretionary review for projects subject to this Section 249.88.

19 (l) **Change of Use.** The Planning Department shall review each building permit application
20 that the Developer submits to the Department of Building Inspection for vertical improvements for
21 consistency with the authorizations granted pursuant to this Section 249.88. The Department of
22 Building Inspection shall not issue a permit for any Vertical Improvement or for occupancy that would
23 authorize a new use unless the Planning Department determines such permit is consistent with the
24 Building Standards set forth in the DSG.

25 ///

1 Section 3. The Planning Code is hereby amended by adding Section 263.35, to read
 2 as follows:

3 **SEC. 263.35. BALBOA RESERVOIR SPECIAL USE DISTRICT AND THE 48/78-X**
 4 **HEIGHT AND BULK DISTRICTS.**

5 *In the Balboa Reservoir Special Use District and the 48-X and 78-X Height and Bulk Districts,*
 6 *heights are more specifically prescribed for each Block, as defined in Section 249.88, pursuant to*
 7 *Figure 249.88-2*

8
 9 Section 4. The Planning Code is hereby amended in accordance with Planning Code
 10 Section 106 by revising Sectional Map ZN12, Height Map HT12, and Special Use District Map
 11 SU12 of the Zoning Map, as follows:

12 (a) To change the Zoning Map ZN12 as follows:

Assessor's Parcels (Block/Lot Numbers)	Current Zoning to be Superseded	Proposed Zoning to be Approved
3180/190, except for the 80-foot wide strip along the southern boundary containing SFPUC pipelines	P	BR-MU

18 (b) To change the Height and Bulk Map HT12 as follows:

Assessor's Parcels (Block/Lot Numbers)	Height and Bulk Districts Superseded	New Height and Bulk Districts
3180/190, except for the 80-foot wide strip along the southern boundary containing SFPUC pipelines	40-X and 65-A	48-X for Blocks TH1, TH2, and H; 78-X for the remainder of the site

1 (c) To change the Special Use District Map SU12 by creating the new Balboa
 2 Reservoir Special Use District and assigning the following Parcels to be within the Balboa
 3 Reservoir Special Use District:

Assessor's Parcels (Block/Lot Numbers)	Special Use District
3180/190, except for the 80-foot wide strip along the southern boundary containing SFPUC pipelines	Balboa Reservoir Special Use District

7
 8 Section 5. The Planning Code is hereby amended to revise Section 201 as follows:

9 To add the Balboa Reservoir Mixed Use District, after the "Potrero Power Station Mixed
 10 Use District", as follows:

<i>Balboa Reservoir Mixed Use District</i> <i>(Also See Section 249.88(g)(1))</i>	
<u><i>BR-MU</i></u>	<u><i>Balboa Reservoir Mixed Use District</i></u> <u><i>(Defined in Section 249.88(g)(1))</i></u>

15
 16 Section 6. The Figures presented in this ordinance (Figures 249.88-1 through 249.88-
 17 3) have been placed in the Clerk of the Board of Supervisors File No. _____, and
 18 are incorporated herein by reference.

19
 20 Section 7. Effective Date and Operative Date.

21 (a) This ordinance shall become effective 30 days after enactment. Enactment occurs
 22 when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not
 23 sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the
 24 Mayor's veto of the ordinance.

25 ///

1 (b) This ordinance shall become operative only on (and no rights or duties are affected
2 until) the later of (1) its effective date, as stated in subsection (a) above, or (2) the effective
3 date of the ordinance approving the Development Agreement for the Project. A copy of said
4 ordinance is on file with the Clerk of the Board of Supervisors in File No. _____.

5
6 Section 8. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
7 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
8 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
9 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
10 additions, and Board amendment deletions in accordance with the "Note" that appears under
11 the official title of the ordinance.

12
13
14 APPROVED AS TO FORM:
15 DENNIS J. HERRERA, City Attorney

16 By: /s/ JOHN D. MALAMUT
17 JOHN D. MALAMUT
18 Deputy City Attorney

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LEGISLATIVE DIGEST

[Planning Code and Zoning Map - Balboa Reservoir Special Use District]

Ordinance amending the Planning Code and Zoning Map to create the Balboa Reservoir Special Use District and rezone the Balboa Reservoir west basin project site generally bounded by the City College of San Francisco Ocean Campus to the east, Archbishop Riordan High School to the north, the Westwood Park neighborhood to the west, and a San Francisco Public Utilities Commission parcel containing a water pipeline running parallel to a mixed-use multifamily residential development along Ocean Avenue to the south; adopting findings under the California Environmental Quality Act; making findings of consistency under the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Existing Law

The Balboa Reservoir Project (Project) is proposed to be developed on a parcel currently designated as Public (P) and under the jurisdiction of the Public Utilities Commission. The Project is located immediately to the west of the City College of San Francisco Ocean Campus and just north of Ocean Avenue in the southwest part of San Francisco.

Amendments to Current Law

This Ordinance would add Section 249.88 to the Planning Code to establish the Balboa Reservoir Special Use District (SUD) for the entire Project site. The SUD would not apply to a retained Public Utilities Commission parcel containing a water pipeline running parallel to a mixed-use multifamily residential development along Ocean Avenue to the south of the Project that will remain in Public zoning. The Ordinance would provide for permitted, non-permitted, temporary, and interim uses within the SUD. The legislation would create controls for development at the site, including ground floor and retail controls, building standards, maximum heights, off street parking including parking lot(s), dwelling unit exposure, bicycle parking, open space, streetscape improvements, inclusionary housing, and others. The SUD would provide mechanisms for modifying those standards in the future, on a case-by-case basis, and for reviewing and approving future development phases and vertical development.

The Ordinance also would add Planning Code Section 263.35 regarding the Balboa Reservoir SUD building heights and would amend the Zoning Map, to do the following:

- a) change the use of the site from P (Public) to BR-MU (Balboa Reservoir Mixed Use), with the exception of the Public Utilities Commission retained parcel which is excluded from the SUD ;

- b) change the height and bulk from 40-X and 65-A to 48-X or 78-X depending on the particular block in the SUD, and
- c) add the SUD to the sectional map number 12.

The Ordinance also makes environmental findings and findings of consistency with the General Plan, eight priority policies of Planning Code Section 101.1, and public necessity determination of Planning Code Section 302.

Background Information

The Project addresses the City's housing challenges by contributing to the City's goal of creating 5,000 housing units each year. The Project site was specifically identified in the General Plan for additional housing in close proximity to local and regional public transportation. The Project implements the goals and objectives of the General Plan Housing Element and of the 2009 Balboa Park Station Area Plan that calls for the development of a mixed-use residential neighborhood on the west reservoir to address the Citywide demand for housing. The Project also implements the goals of the City's 2014 Public Land for Housing program and the Surplus Public Lands Initiative (Proposition K from 2015), by replacing an underused surface parking lot located on surplus public land with a substantial amount of new housing, including a high percentage of affordable housing.

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1 [Development Agreement - Reservoir Community Partners, LLC - Balboa Reservoir Project]
 2
 3 **Ordinance approving a Development Agreement between the City and County of San**
 4 **Francisco and Reservoir Community Partners, LLC, for the Balboa Reservoir Project (at**
 5 **the approximately 17.6-acre site located generally north of the Ocean Avenue**
 6 **commercial district, west of the City College of San Francisco Ocean Campus, east of**
 7 **the Westwood Park neighborhood, and south of Archbishop Riordan High School),**
 8 **with various public benefits, including 50% affordable housing and approximately four**
 9 **acres of publicly accessible parks and open space; making findings under the**
 10 **California Environmental Quality Act, findings of conformity with the General Plan, and**
 11 **with the eight priority policies of Planning Code, Section 101.1(b), and findings of**
 12 **public convenience, necessity, and welfare under Planning Code, Section 302;**
 13 **approving development impact fees and waiving any conflicting provision in Planning**
 14 **Code, Article 4, or Administrative Code, Article 10; confirming compliance with or**
 15 **waiving certain provisions of Administrative Code, Section 6.22 and Chapters 14B, 23,**
 16 **41B, 56, 82, and 83, Planning Code, Sections 169, 138.1, and 414A, 415, and 422, Public**
 17 **Works Code, Section 806(d), Subdivision Code, Section 1348, and Health Code, Section**
 18 **12B; and ratifying certain actions taken in connection therewith, as defined herein.**

19 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
 20 **Additions to Codes** are in *single-underline italics Times New Roman font*.
 21 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
 22 **Board amendment additions** are in double-underlined Arial font.
 23 **Board amendment deletions** are in ~~strikethrough Arial font~~.
 24 **Asterisks (* * * *)** indicate the omission of unchanged Code
 25 subsections or parts of tables.

24 Be it ordained by the People of the City and County of San Francisco:

1 Section 1. Project Findings. The Board of Supervisors makes the following findings:

2 (a) California Government Code Sections 65864 et seq. authorizes any city, county,
3 or city and county to enter into an agreement for the development of real property within the
4 jurisdiction of the city, county, or city and county.

5 (b) Pursuant to California Government Code Section 65865, Chapter 56 of the San
6 Francisco Administrative Code ("Chapter 56") sets forth certain procedures for the processing
7 and approval of development agreements in the City and County of San Francisco (the
8 "City").

9 (c) The City, under the jurisdiction of the San Francisco Public Utilities Commission
10 (the "SFPUC") owns approximately 17 acres of undeveloped land located in the City that is
11 located generally north of the Ocean Avenue commercial district, west of the City College of
12 San Francisco Ocean Campus, east of the Westwood Park neighborhood, and south of
13 Archbishop Riordan High School (the "Project Site"). The Project Site is currently used for
14 surface parking.

15 (d) On **[insert date]** the City sent written notices of availability regarding the Project
16 Site as required pursuant to California Government Code Section 52220 et.seq.

17 (e) On **[insert date]**, the City issued a Request for Proposals ("RFP") for the
18 disposition and development of the Project Site in accordance with the selection criteria
19 described in the RFP. In response to the RFP, the City evaluated proposals from nine
20 development teams, and selected a joint venture of BRIDGE Housing Corporation and
21 AvalonBay Communities, Inc. as the highest scoring proposer. The selected joint venture
22 formed Reservoir Community Partners, LLC, a Delaware limited liability company
23 ("Developer"), to plan, develop, and execute the Project.

24 (f) The City and Developer entered into an Exclusive Negotiating Agreement on
25 December 8, 2017 ("ENA") pursuant to which Developer, in coordination with the City, has

1 conducted pre-development evaluations and design studies of the Project Site and negotiated
2 the terms and conditions of a mixed income housing development of up to approximately
3 1,100 housing units, including approximately 550 units affordable to low- and moderate-
4 income households, approximately 4 acres of publicly accessible open spaces (including
5 property immediately adjacent to the south of the Project Site that contains an SFPUC
6 underground pipeline and will remain under the ownership of the City and the jurisdiction and
7 control of the SFPUC), a childcare center serving approximately 100 children, a community
8 room, approximately ____ square feet of commercial space, 550 parking spaces for use by
9 residents and approximately 220 parking spaces for use by the general public, in addition to
10 new streets, sidewalks, sewer and water infrastructure, including an Auxiliary Water Supply
11 System, and bicycle and pedestrian facilities, located on the Project Site (the "Project").

12 (g) Developer filed an application with the City's Planning Department for approval
13 of a development agreement relating to the Project (the "Development Agreement") under
14 Chapter 56. A copy of the Development Agreement is on file with the Clerk of the Board of
15 Supervisors in File No. _____.

16 (h) Concurrently with this ordinance, the Board of Supervisors is taking a number of
17 actions in furtherance of the Project, as generally described in the Development Agreement,
18 including Exhibit E to the Development Agreement.

19 (i) While the Development Agreement is between the City, acting primarily through
20 the Planning Department, and Developer, other City agencies retain a role in reviewing and
21 issuing certain later approvals for the Project. Later approvals include all approvals required
22 under the Balboa Reservoir Special Use District ("SUD") or as otherwise set forth in the
23 Municipal Code, approval of subdivision maps and plans for horizontal improvements and
24 public facilities, design review and approval of new buildings, and acceptance of Developer's
25 dedications of horizontal improvements and parks and open spaces for City maintenance and

1 liability under the Subdivision Code. As a result, affected City agencies have consented to the
2 Development Agreement.

3 (j) The Project is anticipated to deliver approximately 550 units of much needed
4 affordable housing and to generate approximately 460 construction jobs during construction
5 and an approximately \$1.7 Million annual increase in general fund revenues to the City. In
6 addition to the significant affordable housing, housing, jobs, transit-oriented development, and
7 economic benefits to the City from the Project, the City has determined that development of
8 the Project under the Development Agreement will provide additional benefits to the public
9 that could not be obtained through application of existing City ordinances, regulations, and
10 policies. These additional public benefits include: (1) affordable housing contributions in
11 amounts exceeding those required pursuant to existing City ordinances, regulations, and
12 policies and that are intended to constitute approximately 50% of the total number of housing
13 units in the Project; (2) workforce obligations, including the payment of the prevailing rate of
14 wages in all elements of construction of the Project, significant training, employment, and
15 economic development opportunities, related to the development and operation of the Project;
16 (3) construction and maintenance of publicly accessible open space, totaling approximately 4
17 acres; (4) delivery of a child care facility for approximately 100 children; (5) a community
18 meeting room; (6) construction of new sewer and water infrastructure, including an Auxiliary
19 Water Supply System; and (7) construction of new public streets and rights-of-way including
20 vehicular, bicycle, and pedestrian improvements, and a Project design that prioritizes and
21 promotes travel by walking, biking, and transit for new residents, tenants, employees, and
22 visitors; all as further described in the Development Agreement. The Development
23 Agreement will eliminate uncertainty in the City's land use planning for the Project Site and
24 secure orderly development.

25 ///

1 (k) Funding for construction of the public infrastructure in the Project will include
2 special taxes under a community facilities district (“CFD”) to be formed by Developer and the
3 City, as more particularly described in the Financing Plan attached to the Development
4 Agreement.

5
6 Section 2. Environmental Findings. On _____, 2020, by Motion No.
7 _____, the Planning Commission certified as adequate, accurate, and complete the
8 Final Environmental Impact Report ("FEIR") for the Project pursuant to the California
9 Environmental Quality Act (California Public Resources Code Sections 21000 et seq.)
10 ("CEQA"), the CEQA Guidelines (14 CCR Sections 15000 et seq.), and Administrative Code
11 Chapter 31. A copy of Planning Commission Motion No. _____ is on file with the
12 Clerk of the Board of Supervisors in File No. _____. Also, on _____,
13 2020, by Motion No. _____, the Planning Commission adopted environmental
14 findings, including a rejection of alternatives and a statement of overriding considerations
15 ("CEQA Findings") and a Mitigation Monitoring and Reporting Program ("MMRP"). These
16 Motions are on file with the Clerk of the Board in File No. _____. In accordance
17 with the actions contemplated in this ordinance, the Board of Supervisors has reviewed the
18 FEIR and related documents, and adopts as its own and incorporates by reference herein the
19 CEQA Findings, including the statement of overriding considerations, and the MMRP.

20
21 Section 3. General Plan and Planning Code Findings.

22 (a) The Board of Supervisors will consider companion legislation concerning the
23 Balboa Reservoir Special Use District (the “SUD”) that adopts public necessity findings under
24 Planning Code Section 302. The Board also will consider companion legislation that adopts
25 General Plan amendments and makes findings of consistency with the General Plan, as

1 proposed for amendment, and the eight priority policies of Planning Code Section 101.1(b).
2 Copies of the companion legislation are on file with the Clerk of the Board of Supervisors in
3 File Nos. _____ and _____ , respectively, and they are incorporated
4 herein by reference.

5 (b) For purposes of this ordinance, the Board of Supervisors finds that the
6 Development Agreement will serve the public necessity, convenience, and general welfare
7 under Planning Code Section 302 for the reasons set forth in the companion legislation on the
8 SUD identified in subsection 3(a).

9 (c) For purposes of this ordinance, the Board of Supervisors finds that the
10 Development Agreement is in conformity with the General Plan, as proposed for amendment,
11 and the eight priority policies of Planning Code Section 101.1(b) for the reasons set forth in
12 the companion legislation on the General Plan amendments identified in subsection 3(a).

13

14 Section 4. Development Agreement.

15 (a) The Board of Supervisors approves all of the terms and conditions of the
16 Development Agreement, in substantially the form on file with the Clerk of the Board in File
17 No. _____.

18 (b) The Board of Supervisors approves and authorizes the execution, delivery, and
19 performance by the City of the Development Agreement as follows: (1) the Director of
20 Planning and (other City officials listed thereon) are authorized to execute and deliver the
21 Development Agreement, with signed consents of those City departments, agencies, boards,
22 commissions, and bureaus that have disposition, subdivision or other permit, entitlement, or
23 approval authority or jurisdiction over development of the Project, or any improvement located
24 on or off the Project Site, including the San Francisco Public Utilities Commission, San
25 Francisco Municipal Transportation Agency, Department of Public Works, and Fire

1 Department; and (2) the Director of Planning, the General Manager of the San Francisco
2 Public Utilities Commission, the Director of the Mayor's Office of Housing and Community
3 Development, and other applicable City officials are authorized to take all actions reasonably
4 necessary or prudent to perform the City's obligations under the Development Agreement in
5 accordance with its terms.

6 (c) The Director of Planning, at the Director's discretion and in consultation with the
7 City Attorney, is authorized to enter into any additions, amendments, or other modifications to
8 the Development Agreement that the Director of Planning determines are in the best interests
9 of the City and that do not materially increase the obligations or liabilities of the City or
10 materially decrease the benefits to the City as provided in the Development Agreement.

11
12 Section 5. Development Impact Fees.

13 By approving the Development Agreement, the Board of Supervisors authorizes the
14 Controller and City Departments to accept the funds paid by Developer as set forth therein,
15 and to appropriate and use the funds for the purposes described therein. The Board
16 expressly approves the use of the development impact fees as set forth in the Development
17 Agreement, and waives or overrides any provision in Article 4 of the Planning Code and
18 Article 10 of the Administrative Code that would conflict with the uses of these funds as
19 described in the Development Agreement.

20
21 Section 6. Administrative Code Chapter 56 Conformity. The Development Agreement
22 shall prevail in the event of any conflict between the Development Agreement and
23 Administrative Code Chapter 56, and without limiting the generality of the foregoing, the
24 following provisions of Chapter 56 are waived or deemed satisfied as follows:

25 ///

1 (a) Reservoir Community Partners, LLC, a Delaware limited liability company, and
2 its successors and assignees permitted under the Development Agreement, shall constitute a
3 permitted "Applicant/Developer" for purposes of Section 56.3(b).

4 (b) The Project comprises approximately 17 acres and is the type of large multi-
5 phase and/or mixed-use development contemplated by the Administrative Code and therefore
6 satisfies Section 56.3(g).

7 (c) The provisions of the Development Agreement and the Workforce Agreement
8 attached to the Development Agreement as Exhibit I shall apply in lieu of Section 56.7(c).

9 (d) The provisions of the Development Agreement regarding any amendment or
10 termination, including those relating to "Material Change," shall apply in lieu of Sections 56.15
11 and 56.18.

12 (e) The provisions of Section 56.20 are satisfied by the terms of the ENA, a copy of
13 which is on file with the Clerk of the Board of Supervisors in File No. _____.

14
15 Section 7. Administrative Code Chapter 56 Waiver; Ratification.

16 (a) In connection with the Development Agreement, the Board of Supervisors finds
17 that the City has substantially complied with the requirements of Administrative Code Chapter
18 56, and waives any procedural or other requirements if and to the extent not strictly complied
19 with.

20 (b) All actions taken by City officials in preparing and submitting the Development
21 Agreement to the Board of Supervisors for review and consideration are hereby ratified and
22 confirmed, and the Board of Supervisors hereby authorizes all subsequent action to be taken
23 by City officials consistent with this ordinance.

24 ///

25 ///

1 Section 8. Planning Code Waivers; Ratification.

2 (a) The Board of Supervisors finds that the impact fees and other exactions due
3 under the Development Agreement will provide greater benefits to the City than the impact
4 fees and exactions under Planning Code Article 4 and waives the application of, and to the
5 extent applicable exempts the Project from, impact fees and exactions under Planning Code
6 Article 4 on the condition that Developer pays the impact fees and exactions due under the
7 Development Agreement.

8 (b) The Board of Supervisors finds that the Transportation Demand Management
9 Plan ("TDM Plan") attached to the Development Agreement and other provisions of the
10 Development Agreement comply with the City's Transportation Demand Management
11 Program in Planning Code Section 169.

12 (c) The Board of Supervisors finds that the Master Infrastructure Plan attached to
13 the Development Agreement sets forth sufficient standards for streetscape design and waives
14 the requirements of Planning Code Section 138.1 (Streetscape and Pedestrian
15 Improvements).

16 (d) The Board of Supervisors finds that the Affordable Housing Plan attached to the
17 Development agreement meets and exceeds the requirements for the provision of affordable
18 housing under Planning Code Section 415 et seq. and waives the application of Section 415
19 et seq. to the Project on the condition that Developer implements and complies with the
20 Affordable Housing Plan.

21 (e) The Board of Supervisors finds that the Development Agreement provides
22 sufficient benefits and community improvements regarding open space, streetscape, and
23 childcare facilities and waives the requirements of Planning Code Section 422 (Balboa Park
24 Community Improvements Fund).

25 ///

1 (f) The Board of Supervisors finds that the Child Care Program attached to the
2 Development Agreement meets and exceeds the requirements for the provision of childcare
3 under Planning Code Section 414A and waives the requirements of Section 414A (Childcare
4 Requirements for Residential Projects).

5
6 Section 9. Other Administrative Code Waivers.

7 (a) The requirements of the Workforce Agreement attached to the Development
8 Agreement shall apply and shall supersede, to the extent of any conflict, the provisions of
9 Administrative Code: (1) Chapter 82 (Local Hire Requirements, Coverage); (2) Chapter 83
10 (First Source Hiring for Construction); (3) Chapter 14B (Local Business Enterprise Utilization
11 and Nondiscrimination in Contracting Ordinance); (4) Chapter 6, Article II, Section 6.22 (Public
12 Work Construction Contract Terms and Working Conditions); and (5) Chapter 23, Article VII
13 (Prevailing Wage, Apprenticeship, and Local Hire Requirements).

14 (b) The Board of Supervisors finds that the competitive selection process for the
15 disposition of the Project Site and the subsequent negotiation of the Development Agreement,
16 including the affordable housing obligations set forth therein, satisfy the goals of
17 Administrative Code Chapter 41B (Community Opportunity to Purchase) and waives the
18 application of Chapter 41B to the Project Site.

19 (c) Pursuant to Resolution No. 85-18, the Board of Supervisors considered an
20 economic study of the Project and found that the plan to undertake and implement the Project
21 was fiscally feasible and responsible. In addition, the Controller conducted an economic
22 impact report of the Project, which is included in Clerk of the Board of Supervisors File No.
23 _____. The Board of Supervisors finds that due to current exigencies, the number
24 of analyses of the Project that have been conducted, and the depth of analysis and
25 sophistication required to appraise the Project Site, an Appraisal Review of the Project Site is

1 not necessary and waives the Administrative Code Section 23.3 requirement of an Appraisal
2 Review as it relates to the Project Site.

3
4 Section 10. Subdivision Code Waivers.

5 A Public Improvement Agreement, if applicable, shall include provisions consistent with
6 the Development Agreement and the applicable requirements of the Municipal Code and the
7 Subdivision Regulations regarding extensions of time and remedies that apply when
8 improvements are not completed within the agreed time. Accordingly, the Board of
9 Supervisors waives the application to the Project of Subdivision Code Section 1348 (Failure to
10 Complete Improvements within Agreed Time).

11
12 Section 11. Public Works Code Waiver; Planning Code Waiver.

13 The Board of Supervisors finds that the Master Infrastructure Plan attached to the
14 Development Agreement sets forth sufficient standards for streetscape design and waives the
15 requirements of Planning Code Section 138.1 (Streetscape and Pedestrian Improvements)
16 and Public Works Code Section 806(d) (Required Street Trees for Development Projects).

17
18 Section 12. Health Code Waiver.

19 The Board of Supervisors finds that the recycled water requirements set forth in Health
20 Code Section 12B would inhibit the timely and efficient construction of the Affordable Units
21 and the Townhouse Units described in greater detail in the Development Agreement, and
22 waives the requirements of Section 12B to the extent such requirements would otherwise
23 apply to the construction of the Townhouse Units and Affordable Units.

24 ///

25 ///

1 Section 13. Effective and Operative Date.

2 (a) This ordinance shall become effective 30 days from the date of enactment.

3 Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance
4 unsigned or does not sign the ordinance within ten days of receiving it, or the Board of
5 Supervisors overrides the Mayor’s veto of the ordinance.

6 (b) This ordinance shall become operative only on (and no rights or duties are affected
7 until) the later of (a) its effective date, as stated in subsection (a), or (b) the date that both of
8 the SUD ordinance and the General Plan ordinance referred to in subsection 3(a) related to
9 the Development Agreement, have become effective. Copies of these ordinances are on file
10 with the Clerk of the Board of Supervisors in File Nos. _____ and _____,
11 respectively.

12
13 APPROVED AS TO FORM:
14 DENNIS J. HERRERA, City Attorney

15 By: /s/ ELIZABETH A. DIETRICH
16 ELIZABETH A. DIETRICH
Deputy City Attorney

17 n:\legana\as2020\2000401\01443966.docx

LEGISLATIVE DIGEST

[Development Agreement – Reservoir Community Partners, LLC - Balboa Reservoir]

Ordinance approving a Development Agreement between the City and County of San Francisco and Reservoir Community Partners, LLC, for the Balboa Reservoir Project (at the approximately 17.6-acre site located generally north of the Ocean Avenue commercial district, west of the City College of San Francisco Ocean Campus, east of the Westwood Park neighborhood, and south of Archbishop Riordan High School), with various public benefits, including 50% affordable housing and approximately four acres of publicly accessible parks and open space; making findings under the California Environmental Quality Act, findings of conformity with the General Plan, and with the eight priority policies of Planning Code, Section 101.1(b), and findings of public convenience, necessity, and welfare under Planning Code, Section 302; approving development impact fees and waiving any conflicting provision in Planning Code, Article 4, or Administrative Code, Article 10; confirming compliance with or waiving certain provisions of Administrative Code, Section 6.22 and Chapters 14B, 23, 41B, 56, 82, and 83, Planning Code, Sections 169, 138.1, and 414A, 415, and 422, Public Works Code, Section 806(d), Subdivision Code, Section 1348, and Health Code, Section 12B; and ratifying certain actions taken in connection therewith, as defined herein.

Existing Law

California Government Code section 65864 *et seq.* (the Development Agreement Statute”) and San Francisco Administrative Code Chapter 56 (“Chapter 56”) authorize the City to enter into a development agreement regarding the development of real property.

Amendments to Current Law

The proposed ordinance would result in the approval of the proposed Development Agreement with Reservoir Community Partners, LLC (the "Developer") in accordance with the Development Agreement Statute and Chapter 56. The Development Agreement would provide the Developer with the vested right to develop the project site as described in the Development Agreement over a 25 year term. There are no proposed amendments to current law.

Background Information

This ordinance would approve a Development Agreement between the City and Reservoir Community Partners, LLC for the development of a mixed income housing development of up to approximately 1,100 housing units, including approximately 550 units affordable to low- and moderate-income households, approximately 4 acres of publicly accessible open spaces, a childcare center serving approximately 100 children, a community room, commercial space,

FILE NO. 200423

and parking for use by residents and the general public. This ordinance would also adopt environmental findings.

By separate legislation, the Board is considering taking a number of actions in furtherance of the proposed project, including the approval of a Special Use District and Zoning Map amendments.

1 [Development Agreement - Reservoir Community Partners, LLC - Balboa Reservoir Project]
 2
 3 **Ordinance approving a Development Agreement between the City and County of San**
 4 **Francisco and Reservoir Community Partners, LLC, for the Balboa Reservoir Project (at**
 5 **the approximately 17.6-acre site located generally north of the Ocean Avenue**
 6 **commercial district, west of the City College of San Francisco Ocean Campus, east of**
 7 **the Westwood Park neighborhood, and south of Archbishop Riordan High School),**
 8 **with various public benefits, including 50% affordable housing and approximately four**
 9 **acres of publicly accessible parks and open space; making findings under the**
 10 **California Environmental Quality Act, findings of conformity with the General Plan, and**
 11 **with the eight priority policies of Planning Code, Section 101.1(b), and findings of**
 12 **public convenience, necessity, and welfare under Planning Code, Section 302;**
 13 **approving development impact fees and waiving any conflicting provision in Planning**
 14 **Code, Article 4, or Administrative Code, Article 10; confirming compliance with or**
 15 **waiving certain provisions of Administrative Code, Section 6.22 and Chapters 14B, 23,**
 16 **41B, 56, 82, and 83, Planning Code, Sections 169, 138.1, and 414A, 415, and 422, Public**
 17 **Works Code, Section 806(d), Subdivision Code, Section 1348, and Health Code, Section**
 18 **12B; and ratifying certain actions taken in connection therewith, as defined herein.**

19 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
 20 **Additions to Codes** are in *single-underline italics Times New Roman font*.
 21 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
 22 **Board amendment additions** are in double-underlined Arial font.
 23 **Board amendment deletions** are in ~~strikethrough Arial font~~.
 24 **Asterisks (* * * *)** indicate the omission of unchanged Code
 25 subsections or parts of tables.

24 Be it ordained by the People of the City and County of San Francisco:

1 Section 1. Project Findings. The Board of Supervisors makes the following findings:

2 (a) California Government Code Sections 65864 et seq. authorizes any city, county,
3 or city and county to enter into an agreement for the development of real property within the
4 jurisdiction of the city, county, or city and county.

5 (b) Pursuant to California Government Code Section 65865, Chapter 56 of the San
6 Francisco Administrative Code ("Chapter 56") sets forth certain procedures for the processing
7 and approval of development agreements in the City and County of San Francisco (the
8 "City").

9 (c) The City, under the jurisdiction of the San Francisco Public Utilities Commission
10 (the "SFPUC") owns approximately 17 acres of undeveloped land located in the City that is
11 located generally north of the Ocean Avenue commercial district, west of the City College of
12 San Francisco Ocean Campus, east of the Westwood Park neighborhood, and south of
13 Archbishop Riordan High School (the "Project Site"). The Project Site is currently used for
14 surface parking.

15 (d) On **[insert date]** the City sent written notices of availability regarding the Project
16 Site as required pursuant to California Government Code Section 52220 et.seq.

17 (e) On **[insert date]**, the City issued a Request for Proposals ("RFP") for the
18 disposition and development of the Project Site in accordance with the selection criteria
19 described in the RFP. In response to the RFP, the City evaluated proposals from nine
20 development teams, and selected a joint venture of BRIDGE Housing Corporation and
21 AvalonBay Communities, Inc. as the highest scoring proposer. The selected joint venture
22 formed Reservoir Community Partners, LLC, a Delaware limited liability company
23 ("Developer"), to plan, develop, and execute the Project.

24 (f) The City and Developer entered into an Exclusive Negotiating Agreement on
25 December 8, 2017 ("ENA") pursuant to which Developer, in coordination with the City, has

1 conducted pre-development evaluations and design studies of the Project Site and negotiated
2 the terms and conditions of a mixed income housing development of up to approximately
3 1,100 housing units, including approximately 550 units affordable to low- and moderate-
4 income households, approximately 4 acres of publicly accessible open spaces (including
5 property immediately adjacent to the south of the Project Site that contains an SFPUC
6 underground pipeline and will remain under the ownership of the City and the jurisdiction and
7 control of the SFPUC), a childcare center serving approximately 100 children, a community
8 room, approximately ____ square feet of commercial space, 550 parking spaces for use by
9 residents and approximately 220 parking spaces for use by the general public, in addition to
10 new streets, sidewalks, sewer and water infrastructure, including an Auxiliary Water Supply
11 System, and bicycle and pedestrian facilities, located on the Project Site (the "Project").

12 (g) Developer filed an application with the City's Planning Department for approval
13 of a development agreement relating to the Project (the "Development Agreement") under
14 Chapter 56. A copy of the Development Agreement is on file with the Clerk of the Board of
15 Supervisors in File No. _____.

16 (h) Concurrently with this ordinance, the Board of Supervisors is taking a number of
17 actions in furtherance of the Project, as generally described in the Development Agreement,
18 including Exhibit E to the Development Agreement.

19 (i) While the Development Agreement is between the City, acting primarily through
20 the Planning Department, and Developer, other City agencies retain a role in reviewing and
21 issuing certain later approvals for the Project. Later approvals include all approvals required
22 under the Balboa Reservoir Special Use District ("SUD") or as otherwise set forth in the
23 Municipal Code, approval of subdivision maps and plans for horizontal improvements and
24 public facilities, design review and approval of new buildings, and acceptance of Developer's
25 dedications of horizontal improvements and parks and open spaces for City maintenance and

1 liability under the Subdivision Code. As a result, affected City agencies have consented to the
2 Development Agreement.

3 (j) The Project is anticipated to deliver approximately 550 units of much needed
4 affordable housing and to generate approximately 460 construction jobs during construction
5 and an approximately \$1.7 Million annual increase in general fund revenues to the City. In
6 addition to the significant affordable housing, housing, jobs, transit-oriented development, and
7 economic benefits to the City from the Project, the City has determined that development of
8 the Project under the Development Agreement will provide additional benefits to the public
9 that could not be obtained through application of existing City ordinances, regulations, and
10 policies. These additional public benefits include: (1) affordable housing contributions in
11 amounts exceeding those required pursuant to existing City ordinances, regulations, and
12 policies and that are intended to constitute approximately 50% of the total number of housing
13 units in the Project; (2) workforce obligations, including the payment of the prevailing rate of
14 wages in all elements of construction of the Project, significant training, employment, and
15 economic development opportunities, related to the development and operation of the Project;
16 (3) construction and maintenance of publicly accessible open space, totaling approximately 4
17 acres; (4) delivery of a child care facility for approximately 100 children; (5) a community
18 meeting room; (6) construction of new sewer and water infrastructure, including an Auxiliary
19 Water Supply System; and (7) construction of new public streets and rights-of-way including
20 vehicular, bicycle, and pedestrian improvements, and a Project design that prioritizes and
21 promotes travel by walking, biking, and transit for new residents, tenants, employees, and
22 visitors; all as further described in the Development Agreement. The Development
23 Agreement will eliminate uncertainty in the City's land use planning for the Project Site and
24 secure orderly development.

25 ///

1 (k) Funding for construction of the public infrastructure in the Project will include
2 special taxes under a community facilities district (“CFD”) to be formed by Developer and the
3 City, as more particularly described in the Financing Plan attached to the Development
4 Agreement.

5
6 Section 2. Environmental Findings. On _____, 2020, by Motion No.
7 _____, the Planning Commission certified as adequate, accurate, and complete the
8 Final Environmental Impact Report ("FEIR") for the Project pursuant to the California
9 Environmental Quality Act (California Public Resources Code Sections 21000 et seq.)
10 ("CEQA"), the CEQA Guidelines (14 CCR Sections 15000 et seq.), and Administrative Code
11 Chapter 31. A copy of Planning Commission Motion No. _____ is on file with the
12 Clerk of the Board of Supervisors in File No. _____. Also, on _____,
13 2020, by Motion No. _____, the Planning Commission adopted environmental
14 findings, including a rejection of alternatives and a statement of overriding considerations
15 ("CEQA Findings") and a Mitigation Monitoring and Reporting Program ("MMRP"). These
16 Motions are on file with the Clerk of the Board in File No. _____. In accordance
17 with the actions contemplated in this ordinance, the Board of Supervisors has reviewed the
18 FEIR and related documents, and adopts as its own and incorporates by reference herein the
19 CEQA Findings, including the statement of overriding considerations, and the MMRP.

20
21 Section 3. General Plan and Planning Code Findings.

22 (a) The Board of Supervisors will consider companion legislation concerning the
23 Balboa Reservoir Special Use District (the “SUD”) that adopts public necessity findings under
24 Planning Code Section 302. The Board also will consider companion legislation that adopts
25 General Plan amendments and makes findings of consistency with the General Plan, as

1 proposed for amendment, and the eight priority policies of Planning Code Section 101.1(b).
2 Copies of the companion legislation are on file with the Clerk of the Board of Supervisors in
3 File Nos. _____ and _____ , respectively, and they are incorporated
4 herein by reference.

5 (b) For purposes of this ordinance, the Board of Supervisors finds that the
6 Development Agreement will serve the public necessity, convenience, and general welfare
7 under Planning Code Section 302 for the reasons set forth in the companion legislation on the
8 SUD identified in subsection 3(a).

9 (c) For purposes of this ordinance, the Board of Supervisors finds that the
10 Development Agreement is in conformity with the General Plan, as proposed for amendment,
11 and the eight priority policies of Planning Code Section 101.1(b) for the reasons set forth in
12 the companion legislation on the General Plan amendments identified in subsection 3(a).

13

14 Section 4. Development Agreement.

15 (a) The Board of Supervisors approves all of the terms and conditions of the
16 Development Agreement, in substantially the form on file with the Clerk of the Board in File
17 No. _____.

18 (b) The Board of Supervisors approves and authorizes the execution, delivery, and
19 performance by the City of the Development Agreement as follows: (1) the Director of
20 Planning and (other City officials listed thereon) are authorized to execute and deliver the
21 Development Agreement, with signed consents of those City departments, agencies, boards,
22 commissions, and bureaus that have disposition, subdivision or other permit, entitlement, or
23 approval authority or jurisdiction over development of the Project, or any improvement located
24 on or off the Project Site, including the San Francisco Public Utilities Commission, San
25 Francisco Municipal Transportation Agency, Department of Public Works, and Fire

1 Department; and (2) the Director of Planning, the General Manager of the San Francisco
2 Public Utilities Commission, the Director of the Mayor's Office of Housing and Community
3 Development, and other applicable City officials are authorized to take all actions reasonably
4 necessary or prudent to perform the City's obligations under the Development Agreement in
5 accordance with its terms.

6 (c) The Director of Planning, at the Director's discretion and in consultation with the
7 City Attorney, is authorized to enter into any additions, amendments, or other modifications to
8 the Development Agreement that the Director of Planning determines are in the best interests
9 of the City and that do not materially increase the obligations or liabilities of the City or
10 materially decrease the benefits to the City as provided in the Development Agreement.

11
12 Section 5. Development Impact Fees.

13 By approving the Development Agreement, the Board of Supervisors authorizes the
14 Controller and City Departments to accept the funds paid by Developer as set forth therein,
15 and to appropriate and use the funds for the purposes described therein. The Board
16 expressly approves the use of the development impact fees as set forth in the Development
17 Agreement, and waives or overrides any provision in Article 4 of the Planning Code and
18 Article 10 of the Administrative Code that would conflict with the uses of these funds as
19 described in the Development Agreement.

20
21 Section 6. Administrative Code Chapter 56 Conformity. The Development Agreement
22 shall prevail in the event of any conflict between the Development Agreement and
23 Administrative Code Chapter 56, and without limiting the generality of the foregoing, the
24 following provisions of Chapter 56 are waived or deemed satisfied as follows:

25 ///

1 (a) Reservoir Community Partners, LLC, a Delaware limited liability company, and
2 its successors and assignees permitted under the Development Agreement, shall constitute a
3 permitted "Applicant/Developer" for purposes of Section 56.3(b).

4 (b) The Project comprises approximately 17 acres and is the type of large multi-
5 phase and/or mixed-use development contemplated by the Administrative Code and therefore
6 satisfies Section 56.3(g).

7 (c) The provisions of the Development Agreement and the Workforce Agreement
8 attached to the Development Agreement as Exhibit I shall apply in lieu of Section 56.7(c).

9 (d) The provisions of the Development Agreement regarding any amendment or
10 termination, including those relating to "Material Change," shall apply in lieu of Sections 56.15
11 and 56.18.

12 (e) The provisions of Section 56.20 are satisfied by the terms of the ENA, a copy of
13 which is on file with the Clerk of the Board of Supervisors in File No. _____.

14
15 Section 7. Administrative Code Chapter 56 Waiver; Ratification.

16 (a) In connection with the Development Agreement, the Board of Supervisors finds
17 that the City has substantially complied with the requirements of Administrative Code Chapter
18 56, and waives any procedural or other requirements if and to the extent not strictly complied
19 with.

20 (b) All actions taken by City officials in preparing and submitting the Development
21 Agreement to the Board of Supervisors for review and consideration are hereby ratified and
22 confirmed, and the Board of Supervisors hereby authorizes all subsequent action to be taken
23 by City officials consistent with this ordinance.

24 ///

25 ///

1 Section 8. Planning Code Waivers; Ratification.

2 (a) The Board of Supervisors finds that the impact fees and other exactions due
3 under the Development Agreement will provide greater benefits to the City than the impact
4 fees and exactions under Planning Code Article 4 and waives the application of, and to the
5 extent applicable exempts the Project from, impact fees and exactions under Planning Code
6 Article 4 on the condition that Developer pays the impact fees and exactions due under the
7 Development Agreement.

8 (b) The Board of Supervisors finds that the Transportation Demand Management
9 Plan ("TDM Plan") attached to the Development Agreement and other provisions of the
10 Development Agreement comply with the City's Transportation Demand Management
11 Program in Planning Code Section 169.

12 (c) The Board of Supervisors finds that the Master Infrastructure Plan attached to
13 the Development Agreement sets forth sufficient standards for streetscape design and waives
14 the requirements of Planning Code Section 138.1 (Streetscape and Pedestrian
15 Improvements).

16 (d) The Board of Supervisors finds that the Affordable Housing Plan attached to the
17 Development agreement meets and exceeds the requirements for the provision of affordable
18 housing under Planning Code Section 415 et seq. and waives the application of Section 415
19 et seq. to the Project on the condition that Developer implements and complies with the
20 Affordable Housing Plan.

21 (e) The Board of Supervisors finds that the Development Agreement provides
22 sufficient benefits and community improvements regarding open space, streetscape, and
23 childcare facilities and waives the requirements of Planning Code Section 422 (Balboa Park
24 Community Improvements Fund).

25 ///

1 (f) The Board of Supervisors finds that the Child Care Program attached to the
2 Development Agreement meets and exceeds the requirements for the provision of childcare
3 under Planning Code Section 414A and waives the requirements of Section 414A (Childcare
4 Requirements for Residential Projects).

5
6 Section 9. Other Administrative Code Waivers.

7 (a) The requirements of the Workforce Agreement attached to the Development
8 Agreement shall apply and shall supersede, to the extent of any conflict, the provisions of
9 Administrative Code: (1) Chapter 82 (Local Hire Requirements, Coverage); (2) Chapter 83
10 (First Source Hiring for Construction); (3) Chapter 14B (Local Business Enterprise Utilization
11 and Nondiscrimination in Contracting Ordinance); (4) Chapter 6, Article II, Section 6.22 (Public
12 Work Construction Contract Terms and Working Conditions); and (5) Chapter 23, Article VII
13 (Prevailing Wage, Apprenticeship, and Local Hire Requirements).

14 (b) The Board of Supervisors finds that the competitive selection process for the
15 disposition of the Project Site and the subsequent negotiation of the Development Agreement,
16 including the affordable housing obligations set forth therein, satisfy the goals of
17 Administrative Code Chapter 41B (Community Opportunity to Purchase) and waives the
18 application of Chapter 41B to the Project Site.

19 (c) Pursuant to Resolution No. 85-18, the Board of Supervisors considered an
20 economic study of the Project and found that the plan to undertake and implement the Project
21 was fiscally feasible and responsible. In addition, the Controller conducted an economic
22 impact report of the Project, which is included in Clerk of the Board of Supervisors File No.
23 _____. The Board of Supervisors finds that due to current exigencies, the number
24 of analyses of the Project that have been conducted, and the depth of analysis and
25 sophistication required to appraise the Project Site, an Appraisal Review of the Project Site is

1 not necessary and waives the Administrative Code Section 23.3 requirement of an Appraisal
2 Review as it relates to the Project Site.

3
4 Section 10. Subdivision Code Waivers.

5 A Public Improvement Agreement, if applicable, shall include provisions consistent with
6 the Development Agreement and the applicable requirements of the Municipal Code and the
7 Subdivision Regulations regarding extensions of time and remedies that apply when
8 improvements are not completed within the agreed time. Accordingly, the Board of
9 Supervisors waives the application to the Project of Subdivision Code Section 1348 (Failure to
10 Complete Improvements within Agreed Time).

11
12 Section 11. Public Works Code Waiver; Planning Code Waiver.

13 The Board of Supervisors finds that the Master Infrastructure Plan attached to the
14 Development Agreement sets forth sufficient standards for streetscape design and waives the
15 requirements of Planning Code Section 138.1 (Streetscape and Pedestrian Improvements)
16 and Public Works Code Section 806(d) (Required Street Trees for Development Projects).

17
18 Section 12. Health Code Waiver.

19 The Board of Supervisors finds that the recycled water requirements set forth in Health
20 Code Section 12B would inhibit the timely and efficient construction of the Affordable Units
21 and the Townhouse Units described in greater detail in the Development Agreement, and
22 waives the requirements of Section 12B to the extent such requirements would otherwise
23 apply to the construction of the Townhouse Units and Affordable Units.

24 ///

25 ///

1 Section 13. Effective and Operative Date.

2 (a) This ordinance shall become effective 30 days from the date of enactment.

3 Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance
4 unsigned or does not sign the ordinance within ten days of receiving it, or the Board of
5 Supervisors overrides the Mayor’s veto of the ordinance.

6 (b) This ordinance shall become operative only on (and no rights or duties are affected
7 until) the later of (a) its effective date, as stated in subsection (a), or (b) the date that both of
8 the SUD ordinance and the General Plan ordinance referred to in subsection 3(a) related to
9 the Development Agreement, have become effective. Copies of these ordinances are on file
10 with the Clerk of the Board of Supervisors in File Nos. _____ and _____,
11 respectively.

12
13 APPROVED AS TO FORM:
14 DENNIS J. HERRERA, City Attorney

15 By: /s/ ELIZABETH A. DIETRICH
16 ELIZABETH A. DIETRICH
Deputy City Attorney

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LEGISLATIVE DIGEST

[Development Agreement – Reservoir Community Partners, LLC - Balboa Reservoir]

Ordinance approving a Development Agreement between the City and County of San Francisco and Reservoir Community Partners, LLC, for the Balboa Reservoir Project (at the approximately 17.6-acre site located generally north of the Ocean Avenue commercial district, west of the City College of San Francisco Ocean Campus, east of the Westwood Park neighborhood, and south of Archbishop Riordan High School), with various public benefits, including 50% affordable housing and approximately four acres of publicly accessible parks and open space; making findings under the California Environmental Quality Act, findings of conformity with the General Plan, and with the eight priority policies of Planning Code, Section 101.1(b), and findings of public convenience, necessity, and welfare under Planning Code, Section 302; approving development impact fees and waiving any conflicting provision in Planning Code, Article 4, or Administrative Code, Article 10; confirming compliance with or waiving certain provisions of Administrative Code, Section 6.22 and Chapters 14B, 23, 41B, 56, 82, and 83, Planning Code, Sections 169, 138.1, and 414A, 415, and 422, Public Works Code, Section 806(d), Subdivision Code, Section 1348, and Health Code, Section 12B; and ratifying certain actions taken in connection therewith, as defined herein.

Existing Law

California Government Code section 65864 *et seq.* (the Development Agreement Statute”) and San Francisco Administrative Code Chapter 56 (“Chapter 56”) authorize the City to enter into a development agreement regarding the development of real property.

Amendments to Current Law

The proposed ordinance would result in the approval of the proposed Development Agreement with Reservoir Community Partners, LLC (the "Developer") in accordance with the Development Agreement Statute and Chapter 56. The Development Agreement would provide the Developer with the vested right to develop the project site as described in the Development Agreement over a 25 year term. There are no proposed amendments to current law.

Background Information

This ordinance would approve a Development Agreement between the City and Reservoir Community Partners, LLC for the development of a mixed income housing development of up to approximately 1,100 housing units, including approximately 550 units affordable to low- and moderate-income households, approximately 4 acres of publicly accessible open spaces, a childcare center serving approximately 100 children, a community room, commercial space,

FILE NO. 200423

and parking for use by residents and the general public. This ordinance would also adopt environmental findings.

By separate legislation, the Board is considering taking a number of actions in furtherance of the proposed project, including the approval of a Special Use District and Zoning Map amendments.