

**BALBOA RESERVOIR COMMUNITY ADVISORY COMMITTEE  
CITY & COUNTY OF SAN FRANCISCO**

**MEETING MINUTES**

**Lick-Wilmerding High School, Cafeteria  
755 Ocean Avenue, San Francisco  
Monday, September 14, 2015  
6:30 PM  
Regular Meeting**

Please note that a supplemental audio recording of this meeting is included on the Planning website via the following link:

<http://www.sf-planning.org/index.aspx?page=4224>

Documents received during this meeting are included as attachments to this document.

Committee Members Present:

Howard Chung, Brigitte Davila, Kate Favetti, Christine Godinez, Rebecca Lee, Lisa Spinali, Jon Winston

Committee Members Absent:

Maria Picar, Robert Muehlbauer

Staff Present:

Jeremy Shaw, Sue Exline, Planning Department; Mike Martin, Phillip Wong, Office of Economic and Workforce Development; Craig Freeman, San Francisco Public Utilities Commission; Kevin Kitchingham, Mayor's Office of Housing and Community Development; Supervisor Norman Yee Matthias Mormino, District 7 Supervisor Yee's Office

1. Call to Order and Roll Call
  - a. Roll Call
2. Approval of Minutes from Previous Meeting. (Action Item)
  - a. Winston: Correct page 5, change "water overrides to sea water rise"
  - b. Minutes approved with correction; Motion: Favetti, Second: Chung
    - i. Ayes: Chung, Davila, Favetti, Godinez, Lee, Spinali, Winston

ii. Noes: [none]

3. Scheduling October CAC Meeting

- a. Action: Reschedule Meeting to October 19, 2015; Motion: Davila, Second: Favetti
  - i. Ayes: Chung, Davila, Favetti, Godinez, Lee, Spinali, Winston
  - ii. Noes: [none]

4. General Public Comment.

- Making comment on behalf of resident (Eva O'Brien): *see attached letter*
- Concerned that project is moving forward above neighbors objections and motivated by financial reasons
- Lack of adequate meeting noticing; Concerned about transportation congestion and impacts; Aware of housing need but not to concentrate it all on this site
- Concerned about lack of openness and transparency with public process; Concerned about Performing Arts Center
- Believes the photo of the parking photo used for City presentations is not representative of the actual full usage and emphasizing its importance; referencing proposition for no housing on the site; not surplus
- Randolph: San Francisco in a housing crisis and references supply and demand crisis in San Francisco and regionally
- Recognizes need for Affordable Housing; does not believe Neighborhood Character does not cover neighborhood gardens and community space
- Make sure Housing is within current zoning laws and that those laws do not change; Parking photograph is misleading in number of cars; would like to know heights
- Make sure transcribing is more accurate; References Board of Supervisors item and impact of future projects particularly with Transit; Concerned about Transit impacts especially with CCSF enrollment and housing
- Would like to ensure that CAC members do not have conflicts of interest; Photo of parking lot is misleading; how much will the land sell for; housing is a regional problem
- Concerned about noticing of meetings and number of community members present; who is benefitting from the development, students or developers; Would like to slow down process
- Concerned minutes are not accurate
- Supervisor Yee: Recognized common issues; slowed the process down enough to have input; created a committee that is representative of the neighborhood to create a continuous conversation; understands traffic concerns
- Would like to see consideration of other use of the space

5. Communication with the Community. (Discussion Item)

- a. Spinali: President of Sunnyside Neighborhood Association, quarterly meetings, updates and special meetings; subcommittee; website; email blasts and nextdoor;

- goal to send draft of [parameters] gets sent out for comment and feedback as soon as possible and bring that back
- b. Godinez: Director of Student Inclusion, Leadership and Civic Engagement; inform all families through newsletters and at community meetings; partner with local schools to communicate to their communities through their networks; students volunteer at various organizations and distribute information there
  - c. Favetti: President of the Westwood Park Association; board established a subcommittee, Chaired by Linda Judge; individual letters have been sent out, email blasts; nextdoor; encourage others to inform those who are not online; newsletter; annual meeting that provided several avenues for input; email for comments
  - d. Brigitte Davila: Trustee at City College; member of Mission Terrace Improvement Association; Report to D11 Council every other month on City College activities; involved with 40+ non-profits; Work at San Francisco State University and disseminate information there
  - e. Rebecca Lee: San Francisco PUC CAC Member; community fair and resource fairs through SFPUC; Facebook page; perspective of PUC ratepayers; District 3 resident; available to hear comments from all members of the community
  - f. Howard Chung: Vice-Chair of the Ocean Avenue Association (Community Benefits District); representing business owners; available to hear concerns from all
  - g. Jon Winston: Sunnyside Resident; represent the City as a whole; went to Housing Action Coalition and Council of Community Housing Organizations and received input from PODER; Google Group; Nextdoor; email address: jwinstonsf@outlook.com; member of Pedestrian Safety Advisory Committee
  - h. Spinali:
    - i. Maria Picar: OMI (Oceanview, Merced, Ingleside)
    - ii. Robert Muehlbauer, seat #5, represents Balboa Park Station CAC, transportation and what is overall happening in the area
    - iii. Post emails on website for members of the CAC
  - i. Public comment:
    - o Email address for subcommittee for public comment:  
[wpa.balboa.reservoir@sonic.net](mailto:wpa.balboa.reservoir@sonic.net)
    - o How many units? 6000?
    - o Oppose the housing project
    - o How do people not online get in contact with the CAC?
      - o Spinali: Utilize community members who are online connect with those not online; this is an ongoing challenge; breakfast/lunch with community
      - o Godinez: Mail hardcopies of everything
      - o Favetti: Mailings to homes; newsletter; Linda Judge available to reach out to those not online
      - o Davila: D11 Council meetings go through neighborhood associations with mailings or door postings
      - o Lee: Online/Digital for SFPUC CAC; will try to supplement with mailings

- Chung: Attend Ocean Avenue Association meetings on the Third Wednesday of each month
- Winston: Mostly online; possibly have a Facebook page or Twitter; each person present to talk with their neighbors

6. Overview of RFP Format. (Discussion Item)

- a. Favetti:
  - i. Community Desire for input in the RFP Process
    - 1. Martin: Work with CAC to detail Development Parameters for RFP; develop framework, operative elements of RFP
  - ii. Subject to Brown Act and Sunshine Act
    - 1. Martin: Yes
  - iii. RFP from Rec and Park: Concept based or unit based
    - 1. Martin: Parameters are defining envelope and simplistically informing units, and are informing/prioritizing unit type (e.g. student housing, family housing), work through parameters, create envelope and then provide feedback to the CAC; no proposal for 6000 units; transit is a constraint
  - iv. Costs/ economic viability
    - 1. Martin: Real Estate Development Economics in next presentation; what are the costs/revenues of a development and why it would move forward; contextualize sometimes building more units will mean more public benefits
- b. Lee
  - i. How would you identify fair compensation for the SFPUC property, seems dependent on the resulting parameters of the RFP?
    - 1. Martin: Legal perspective: a competitive bid will reveal what the market will bear taking into consideration site constraints and development parameters
  - ii. Legal research may be needed to identify what is fair market value
- c. Davila
  - i. Discuss Mix of housing between Market-rate and Affordable Housing; Developers are now, with legislation like Prop K, able to build more affordable units/ higher percentages of affordability; performing arts center will be built
- d. Spinali
  - i. Complexity in determining fair market value Legal requirement to get fair market value – land belongs to ratepayers, development parameters, and modeling/ math in how well proposals meet parameters which leads to fair market value

- e. Public Comment:
  - References SFPUC letter that Balboa Reservoir is valued at \$36 Million, is that a benchmark?
    - Martin: Based on Balboa Park Station Area Plan, and it was an appraisal on the land in 2012, this amount does not include community benefits
  - Educational crisis in San Francisco and the City should support City College; choose other sites
  - Draft RFP is being created out of this process?
    - Martin: Technical pieces that aren't being developed; the substance, the development parameters are being created here; draft parameters on housing are being created here, feedback comes in, and the parameters are revised with feedback
  - Does the City have first right of refusal and can they pay SFPUC to retain the land within the City; SFPUC should ultimately be getting Fair Market Value
    - Martin: I don't believe City has the first right of refusal, potentially there are interagency transfers but the intent of the adopted ordinance is to select a private developer partner to possibly build a housing development and not offer it back to the City; fair market value is a condition; SFPUC commission can refuse a transfer if proposals do not meet the development parameters, or if the financial benefits are not sufficient, which is the purview of the SFPUC Commission
  - Value of the land should take into consideration of other needs of the SFPUC and requirements of the site
  - What is the distinction between Department of Housing and Department of Economic Development?
    - Martin: Kevin Kitchingham of the Mayor's Office of Housing and Community Development (MOHCD) is here to present on Housing; Office of Economic and Workforce Development (OEWD) serves as Owner's representative for City Real Estate Transactions, and are a part of a group that includes MOHCD, Planning, and SFPUC through the Public Land for Housing Program
  - The lack of details regarding living space and price makes it difficult to submit proposals
    - Martin: This is the process, through the CAC and community involvement, to create the details; the hope is to have specifications by early next year as a result of the CAC meetings
  - How are the qualifications of proposers determined, and with equal qualifications how do you select?
  - Martin: This is a detailed part of the document with scoring; give enough clarity to the developers so they respond and give enough clarity to the people scoring to inform how they review; high price should not allow responders to ignore development parameters
  - Once the land is transferred what holds the developer to the development parameters?

- Martin: Series of agreements that provide enforcement rights for the City; entitlement documents through the Planning department that require the developer to meet requirements in order to build
- Spinali: Address that it's not the first person who buys it then requirements go away
  - Martin: Deed-restrictions on units; first person that qualifies is the only member of the household that will benefit; there will be on-going oversight and income certification to ensure every household member qualifies
- City can refuse all proposal that do not meet requirements; when are the specifications will be discussed tonight
  - Martin: Yes, the city can refuse all proposals that do not meet requirements; specifications will be discussed and created through several meetings with the CAC
- Concerned about the height limits, who determines the height limit?
  - Martin: CAC will have this conversation and determine this
- RFP should have a high standard of community involvement from the developer after they are selected.
- What is the annual revenue of the SFPUC?
  - Lee: I will find this out.
  - Martin: SFPUC bills are paid through asset revenues or ratepayers; if there is a financial gapped not covered through asset revenues that is absorbed by the ratepayers, which is why this project is to the benefit of the ratepayers
- Transit access and egress is a very important consideration
  - Martin: This will be discussed in detail at a future meeting
- What is the process of determining the value of the land
  - Martin: Process will likely include an appraisal before the City transacts; proposals will reflect what is willing to be paid based off the RFP

7. Housing: Background and Parameters. (Discussion Item)

- a. Discussion by CAC
  - Winston:
    - I talked to affordable housing organizations including PODER which works in D11 and on the Upper Yard project; the Housing Action Coalition, which is happy with the parameters; and the Council of Community Housing Organizations which would like to propose that the site be 60% affordable housing (50% affordable housing developed by a non-profit, 10% in mixed-income buildings) and 40% market rate.
    - Also want to bring up transportation.
      - More parking = more traffic. Everyone has a problem with more traffic, but building more parking works against that.

- Keep TSP fees in the neighborhood
  - 1100 Ocean Ave. project has 71 units and zero parking spots
- Chung
  - It's amazing that moderate income is \$80,000 to \$120,000. It's great that we're trying to target those people. They can't afford to live in SF.
  - Prop K numbers – Are those targets or requirements?
    - Martin (in response to question): Prop K sets Citywide policy. Public Lands for Housing is part of the Mayor's Office's attempt to implement that policy. We're internalizing the Citywide goals here at this site. It's not yet known what the enforcement mechanism will be.
- Lee
  - I am a moderate-income household of one person.
- Davila
  - People need to understand that this affordable housing won't be the projects.
  - My daughter can't afford to live in the City
  - Glad to see that a response to City College is included. Would like to see housing for faculty and staff there, not students.
- Favetti
  - Linda Judge will submit Westwood Park comments
  - We can't turn our backs on people who are the glue of the City, but we can't turn our backs on quality of life.
  - Feeling comfortable that there will be a lot of input.
- Godinez
  - Places for youth are also important.
- Spinali
  - Include older adult children and the elderly.
  - Regarding parameter 2(d): Survey students and faculty. Do faculty really want to live here?
  - The site has limited egress. We need to think about that.
  - Encourage people to think about housing for public servants in addition to educators.
- b. Public Comment
  - On-site affordable housing is important, but Planning and OEWD should hold all developers to the same standard and exclude other developments from building off-site or feeing out.
  - Westwood Park resident: worried about impact on their home value.
  - Should also build workplaces for people of moderate means.

- There are lots of people who don't oppose housing. The focus on affordable and luxury housing is squeezing the middle class.
- Are CAC members representing their own views or the neighborhoods? Why doesn't Riordan have a seat?
- PODER, Communities Uniting for Health and Justice. Surveyed 310 neighborhood residents. Have a report with their findings. Strive for 100% affordable housing for moderate, low, and very-low income.
- Brigitte Davila:
  - CCSF has been here for 80 years.
  - Interested in Veteran's Housing.
  - Students have to live far away and commute in, so there's a responsibility for parking.
- What's the developer's profit margin? Can it be reduced?
- Look at alternative ownership models (co-op's).
- How do you ameliorate possible conflicts between student housing and family housing? SF State and Parkmerced have a task force.
- Make sure that housing creation doesn't outpace transportation infrastructure.
- Which sites will be used to create the 4,000 units? Just the four preliminary sites?
- Mike Martin (in response to question): We're not evaluating that number at this time, but we're trying to get as many opportunities on the table. We're not expecting the four sites to come near the 4,000 on their own.
- City policy has contributed to the housing crisis. 10,000 units are currently off the market.
- In-lieu payments have caused there to be less affordable developed, push affordable out to other neighborhoods
- What are you thinking about rent vs. own?
- Would like to see 100% affordable housing. 33% is not enough.
- Target CCSF Guardian scholars and veterans program for housing.
- Lisa Spinali: Send CAC members additional feedback around the principals
- Notes taken and displayed during public comment period:
- **SF Planning and MOEWD hold the City responsible for other developments not pursuing off-site fees for affordable development**
- **Problem with the scope; build locations for businesses of moderate means**
- **Through conversation with 310 residents created a report; 100% affordable housing is what should be strived for; PODER report**
- **What is the rate of return for a selected developer? Limit the rate of return and retain this in the community. Provide pathway for low-income residents to home ownership. Student and family housing; can't conflict; Balance housing against transportation**



- **Limit in-lieu fees; for-sale vs. rental**
- **33% affordable is not enough**
- **Guardian Scholars & Veteran's Program (CCSF)**

8. Urban Design & Neighborhood Character: Background and Parameters. (Discussion Item)

- a. Motion to continue item: Spinali
  - i. Ayes: Chung, Davila, Favetti, Godinez, Lee, Spinali, Winston
  - ii. Noes: [none]
- b. Lisa Spinali: A special meeting will be scheduled to discuss this item.

9. City College Master Plan Process Update. (Discussion Item)

- a. Motion to continue item: Spinali
  - i. Ayes: Chung, Davila, Favetti, Godinez, Lee, Spinali, Winston
  - ii. Noes: [none]

10. Close of Meeting. (Discussion Item)

11. Adjournment.

- a. Motion to adjourn: Spinali
  - i. Ayes: Chung, Davila, Favetti, Godinez, Lee, Muehlbauer, Picar, Spinali, Winston
  - ii. Noes: [none]