



San Francisco Community College District

City College of San Francisco

50 FRIDA KAHLO WAY • SAN FRANCISCO, CA 94112 • PHONE: (415) 239-3000

August 10, 2020

Ms. Leigh Lutenski, Project Manager
San Francisco Office of Economic & Workforce Development
1 Van Ness Avenue
San Francisco, CA 94103

Re: Draft MOU as Between City College of San Francisco and RCP

Dear Ms. Lutenski:

Please see the enclosed, the proposed Draft of the Proposed MOU as between City College of San Francisco and the Developer, RCP, that was edited and approved by the San Francisco Community College District Trustees at their Special Board Meeting which took place on August 6, 2020.

Please do not hesitate to contact Deputy Chancellor Dianna Gonzales or myself if you have any questions or comments.

Thank you,

/s/

Leilani Battiste, S.J.D.
Senior Director
Compliance, Risk Management & Safety

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August 10, 2020

Ms. Leigh Lutenski, Project Manager
San Francisco Office of Economic & Workforce Development
1 Van Ness Avenue
San Francisco, CA 94103

Re: MOU Between City College of San Francisco and Reservoir Community Partners
regarding the Balboa Reservoir Project

Dear Ms. Lutenski:

Reservoir Community Partners, the development team leading the effort to bring a new 50% affordable housing development to the Balboa Reservoir, is excited to report that the Board of Trustees of City College of SF has approved a Memorandum of Understanding that our team recently negotiated with College staff.

This MOU represents a significant milestone in the 3+ years of outreach and dialogue that we have had with the College's administration, Trustees, and community members. We look forward to continued collaboration with the College to bring to fruition the new neighborhood and new academic buildings that are contemplated in the MOU.

Sincerely,

Joe Kirchofer
Reservoir Community Partners

**MEMORANDUM OF UNDERSTANDING
REGARDING DEVELOPMENT OF THE BALBOA RESERVOIR PROPERTY**

THIS MEMORANDUM OF UNDERSTANDING ("MOU") is made and entered into on this _____ day of _____, 2020 (the "Effective Date") by and between the SAN FRANCISCO COMMUNITY COLLEGE DISTRICT, aka CITY COLLEGE OF SAN FRANCISCO ("CCSF" or "City College"), a California Community College, and owner of the eastern portion of the Reservoir, and RESERVOIR COMMUNITY PARTNERS ("RCP" or "Developer"), the Developer of the western portion of the Reservoir, on behalf of the City & County of San Francisco, through its Public Utilities Commission ("the City").

RECITALS

WHEREAS: The property now known as the "Balboa Reservoir" that sits on the former lands of the traditional Ramaytush Ohlone peoples of California, and is owned by the City and currently used by CCSF under a non-exclusive license with the SFPUC, is known as part of the "West Campus" and is dedicated to the public good; and

WHEREAS: From 1946 to 1956 CCSF operated student housing for veterans along with many other full campus facilities on the site now proposed for housing by the City; and

WHEREAS: Planning for the long anticipated and voter-approved Diego Rivera Theater ("DRT"), formerly known as the Performing Arts and Education Center (PAEC) has resumed, and a new Science, Technology, Engineering, Arts & Mathematics (STEAM) Building is also being planned at CCSF; and

WHEREAS: The DRT would not only serve CCSF's mission, but also the residents of San Francisco, by filling a need for small performance spaces that are in short supply, and therefore help revitalize San Francisco's arts community, particularly in an area of San Francisco not well served by art and performance spaces; and

WHEREAS: Existing geothermal wells installed by CCSF within the intended development area were installed by CCSF prior to 2012, at which time the property under which they are installed was owned by CCSF, with the requisite approvals of the California Division of the State Architect, and

WHEREAS: The City has proposed to select a development team to build on the western portion of the Balboa Reservoir a housing development of mixed affordable and market-rate units, along with related streets, utilities, and open space amenities (the "Project"); and

WHEREAS: The Balboa Reservoir has been the site of existing parking for CCSF for the past 60 years, and the site of the proposed development is currently used by CCSF for the parking of up to 1,000 students and employees; and

WHEREAS: In its presentation to the Board of Trustees and in its materials posted online, one of the options the City has proposed includes the creation of new streets through the CCSF owned parking lot; and

WHEREAS: CCSF is the central educational, economic and cultural focus of the neighborhood where the Balboa Reservoir property is situated;

WHEREAS: CCSF's interests in providing access to higher education are a primary consideration, and this MOU must take into account CCSF's educational operations, development and construction of the eastern portion of the Balboa Reservoir, in coordination with City efforts to develop the western portion of the Balboa Reservoir, and such development shall not impede or disrupt CCSF's educational mission, operations and development on the eastern portion of the Balboa Reservoir; and

WHEREAS: The development of the publicly owned Balboa Reservoir, represents a valuable public resource that will provide a unique opportunity for the City to serve the public good, provide badly needed-affordable housing and support the mission of CCSF to provide accessible, quality education to all;

WHEREAS: The City and RCP acknowledge and recognize that the proposed development of market-rate and affordable housing in the western portion of the Balboa Reservoir is situated in proximity to a community college, and will ensure that the future residents of the Development are aware of and demonstrate respect for the CCSF community, its employees and its students;

WHEREAS: The goals and priorities of the City, RCP and CCSF are to develop affordable housing, parking, accessible parks, open space and other amenities alongside CCSF's planned development of a new Diego Rivera Theater ("DRT"), a new Science, Technology, Engineering, Arts & Mathematics ("STEAM") Building, and other future educational buildings that will become a part of an "Academic Village" that will serve as a gathering place for both the CCSF and the wider community, and are articulated in the Balboa Reservoir Project Development Principles & Parameters;

WHEREAS: The parties desire that this MOU express the intent of the parties and guide future implementation of the parties shared goals and priorities, as set forth in greater detail below;

MEMORANDUM OF UNDERSTANDING

THEREFORE, BE IT RESOLVED: That the Parties hereby express the following non-binding goals and priorities for the proposed “Balboa Reservoir” development. The parties will work diligently to advance the collaborative efforts identified in this document, and to meet the various responsibilities and obligations placed upon them in related agreements (such as the Amended and Restated Access and Easement Agreement and Deed, between City and CCSF, and the Development Agreement between the City and RCP). Except to the extent required by other executed agreements or the Project approvals adopted by the City, the parties intend this MOU to be a non-binding expression of the parties’ intent, and may not be interpreted to impose covenants on either party.

Section 1: Housing and Connectivity

Developer – RCP:

1. **Educator Housing.** Developer is anticipated to deliver 1,100 units of much-needed housing including 550 affordable housing units, which includes 150 units designated as affordable educator housing, serving households where at least one person is a full-time employee of CCSF or SFUSD, giving priority to CCSF Faculty and staff. Units that cannot be filled by CCSF will then be made available to SFUSD. Rents will be set for moderate-income household earning between 70%-130% AMI, with an average of 100% AMI. Occupancy will be no sooner than 2024.

In addition, the 150 units of affordable educator housing will be of comparable construction and finishes similar to those market rate and affordable units, and with a similar suite of building amenities.

RCP’s housing commitments are further detailed in the project’s Affordable Housing Plan, Exhibit D of the Development Agreement between RCP and the City.

2. **Public Open Space.** Developer will build an approximately 2-acre central park with an entrance that aligns with the pedestrian path between the MUB and the DRT, directly connecting pedestrians to the CCSF campus.

RCP’s open space commitments are further detailed in the project’s Open Space Plan, Exhibit C-1 of the Development Agreement between RCP and the City.

3. **Childcare.** Developer will construct a 100-space childcare center, which will be open to both residents and the surrounding community. CCSF may advertise this facility to incoming students, faculty and employees.

RCP’s childcare commitments are further detailed in the project’s Child Care Program, Exhibit L of the Development Agreement between RCP and the City.

5. **Culture and Climate.** Over the past 85 years, CCSF has served as an anchor institution providing a safety net and educational equity to a diverse range of communities within the San Francisco Bay Area and beyond. CCSF serves recent immigrants, veterans, people of color, individuals struggling with food and housing insecurity, LGBTQ individuals, individuals retraining for a new career, working and single parents, former foster youth and formerly incarcerated individuals.

This represents only a portion of the diversity of individuals that strive for their educational and enrichment goals at CCSF. Recent events across the country, including the Black Lives Matter Movement, have concerned the CCSF community concerned that CCSF's racially diverse and multicultural student body may not be understood or made to feel welcome in the new development which features public spaces that should be open to all. To ensure that the new development acknowledges and respects their CCSF neighbors, Developer agrees to implement the following:

a. Developer will create an Open Space Advisory Committee that will meet at least **annually quarterly** for the life of the Project to review the management, maintenance, operations, and programming of the public open spaces on the Balboa Reservoir property. City College will have **a two permanent seats** on this Open Space Advisory Committee, **one of which will be held by a City College student**, alongside adjacent neighborhood groups and other community stakeholders.

RCP's commitment to an Open Space Advisory Committee are further detailed in the project's _____, Exhibit __ of the Development Agreement between RCP and the City.

b. Acknowledgement of the Caution Against Racially Exploitative Non-Emergencies (CAREN) Act upon adoption by the Board of Supervisors, **or any similar local, State or Federal successor law**, in the governing documents of the Open Space Advisory Committee and the rules and regulations that are developed for the open space. **This section also acknowledges and references all City Ordinances and CCSF Board policies pertaining to the ban of facial recognition software, the protection of undocumented individuals, San Francisco's status as a sanctuary city, and CCSF's status as a sanctuary college, for the protection of CCSF students.**

c. Developer will work with CCSF to develop a program to commission student artists to create art/art exhibitions for the Development, with a goal of bringing CCSF Art & Culture into the Development.

d. Open Space areas are accessible for official student activities, and the Developer and Open Space Advisory Committee will collaborate with CCSF on bringing in College-centered and student-led programming as part of the activation and programming of the Open Spaces.;

City College:

1. **Educator Housing.** CCSF will provide and continue updating the CCSF Housing Needs Analysis for Faculty and Staff. A CCSF staff person will be identified to work with Developer on an on-going basis to administer CCSF's obligations related to the housing program, such as marketing and processing applicants.
2. Continue collaborating/coordinating with Developer as CCSF Facilities Master Plan ("FMP") develops to ensure programmatic and physical (street) functionality.

Section 2: Sustainable Transportation and Parking

Developer - RCP:

Parking. RCP will provide up to 450 public parking spaces that will be available to the CCSF community during weekday daytime hours. The ultimate number of spaces will be based on the estimate of unmet demand on a typical day from CCSF's 2019 Fehr and Peers Transportation Analysis, as this study will be updated and informed with new data in the coming years, as well as on the observed usage at the lower reservoir lot during the interim parking period.

- a. Interim Parking. After mass grading of the site is complete, interim public parking spaces will be available in a temporary surface parking lot (or two lots) at the lower reservoir.
- b. Permanent Parking. Developer will provide the final public parking spaces no later than completion of Phase 2 of construction, in a structured garage in the base of one or more of the project's buildings.
- c. "Pinch Point" Parking. Due to the necessity of grading the site, and of building the Phase 2 buildings, there may be times during the construction process when the Interim Parking described above in (a) cannot be made available. In the event that one of these times coincides with the first two weeks of a City College fall or spring semester (which are identified in CCSF's 2019 Fehr & Peers Transportation Analysis as the times of peak CCSF parking demand), Developer will fund the reasonable cost for City College to use a valet service to expand the capacity of its other parking lots on campus.
- d. Dedicated CCSF spaces. Developer and City College will collaborate to develop a program by which a portion of the new public parking spaces can be reserved for members of the City College community at certain days of the week and times of day. The intent of this program will be to ensure parking availability for City College at times of primary College activity, while also allowing for spaces to be utilized to serve other populations at off-peak times.
- e. CCSF Parking Pricing. The parties will collaborate to develop a pricing program and enforcement mechanism that recognizes the need for parking pricing to be affordable to City College students. The maximum amount charged to a City College student under this program will be no more than the greater of: (i) the basic daily rate charged for daily parking in City College campus lots, or (ii) \$6 per day, increasing annually by no more than the Consumer Price Index.

RCP's Public Parking commitments are further detailed in the project's Transportation Plan, Exhibit J of the Development Agreement between RCP and the City.

2. Transportation Demand Management ("TDM"). Developer will adopt a formal TDM plan to help coordinate transportation options for new residents. Developer will also hire a Transportation Coordinator/TDM manager. This will be a dedicated staff position responsible for implementing Developer's TDM Plan.

RCP's TDM commitments are further detailed in the project's TDM Plan, Exhibit J-1 of the Development Agreement between RCP and the City.

City College TDM. Developer will also provide a one-time contribution to City College, in the amount of \$400,000, to help support the public transit needs of the ~~implementation and effectiveness of a new~~ City College students. ~~TDM program.~~

Traffic mitigation/bus access improvements. City will make improvements to Ocean Ave and Frida Kahlo Way to ensure timely transit of the Muni buses and streetcars, and to improve pedestrian safety.

Car and bike sharing. The Project shall include Car and bike sharing facilities for use by residents, students, CCSF staff, and the general public.

3. Street & Utility Work. While CCSF still owned the southern portion of the Balboa Reservoir in 2008-2009, CCSF installed geothermal wells and related equipment ("Preexisting Geothermal Wells") which are in the approximate locations more particularly described in Schedule 1 attached hereto.

After the land transfer in 2012, the Preexisting Geothermal Wells now occupy property both within the Access Easement Area as defined in the Original Agreement (the "Original Access Easement Area") as well as City Property adjacent to the Original Access Easement Area. As these Preexisting Geothermal Wells were constructed while CCSF owned the property, no permits from the City were required.

City College and the City plan to enter into the Amended and Restated Access Easement Agreement and Deed, concurrent with the approval of this MOU, which will lay out a process for constructing new streets and utility connections that will ultimately serve both the Project and CCSF. RCP expects to be named the "Constructing Party", and in this capacity, expects to construct the new Lee Avenue and North Drive, remove the private utilities under these streets, possibly including geothermal wells that are in the easement areas or on City property, and construct and re-connect new utilities, all per the terms of the Amended and Restated Access Easement Agreement and Deed and at its sole cost.

If an engineering analysis as referenced in Recitals paragraph "I" of the Amended and Restated Access Easement Agreement and Deed determines that Geothermal Wells are not necessary to provide utility to existing and/or future College facilities, and it is feasible for City or RCP to remove, cap or otherwise alter the Geothermal Wells located in the City Property Easement Area, RCP will collaborate with City College engineering staff and consultants on the process for removal of the geothermal wells, and will use commercially reasonable efforts to remove or cap the wells in such

a way that the remaining geothermal well system can remain in working order. RCP and/or City also assume sole responsibility and/or liability for any and all events that occur as a result of the removal, capping or other alteration of the Geothermal Wells.

Section 3: Coordinating Construction Activities

Developer- RCP:

1. Identify primary point(s) of contact who will manage construction coordination and planning efforts commencing at execution of this MOU. RCP will host monthly meetings with CCSF point(s) of contact to coordinate schedules of construction activities, and update as to any changes in schedules, construction activities, conditions, so as to prevent any planned/unintended disruption of CCSF educational mission, operations, adjacent construction projects, etc. Specifically, the parties diligent will use diligent good faith efforts to collaborate on scheduling for the utility and road construction work contemplated in the prior section, with the goal of minimizing to the extent feasible disruption to (i) CCSF's operations, and (ii) access to either the Upper Reservoir or the Project site.
2. Before construction begins, identify primary point(s) of contact for all construction activity occurring on Project.
3. Developer will use diligent efforts to mitigate any noise or dust resulting from its construction efforts.

RCP's Construction Mitigation commitments are further detailed in the project's - _____, Exhibit _____ of the Development Agreement between RCP and the City.

City College:

1. The tentative schedule for construction of the DRT is October 2021 through October 2023. The tentative schedule for construction of the STEAM building (??) is March 2022 through December 2024.
2. Identify primary point(s) of contact in CCSF Facilities Planning & Construction Department who will manage construction coordination and planning efforts commencing at execution of this MOU. CCSF will attend monthly meetings with CCSF point(s) of contact to coordinate schedules of construction activities, and update as to any changes in schedules, construction activities, conditions, so as to prevent any planned/unintended disruption of CCSF educational mission, operations, adjacent construction projects, etc.
3. Before construction begins, identify primary point(s) of contact for all construction activity occurring on Upper Reservoir.

CCSF will not construct or permit the construction of any road, street, or surface for motor vehicle access-enabling in the planned walkway between the Multi Use Building and the Diego Rivera Theater, in order to access any new Development. This walkway

space will remain a pedestrian-only walkway, as described in the CCSF's Facilities Master Plan.

Section 4: Internship Program

The Project's scale and proximity to City College present an opportunity for the Developer to partner with City College's Career Services department to expose students to an array of issues and competency skills to support career pathways, focused especially on first-generation college students of color. RCP, along with Mission Housing Development Corporation, intends to create and sustain an internship program that is designed to serve the needs of this CCSF student population.

The Developer intends to work with the Career Services department to specify the Program's purpose, goals and specific educational and career areas for initial focus as the Program is jointly developed. The Program will allow investment in the leadership skills of community members and increase future development capacity for affordable housing developers and other housing-related firms.

In order to support these broad visionary purposes, the Program will:

- Support CCSF students with high-caliber, career pathway-orientated paid internships;
- Foster a partnership made up of CCSF, housing developers, public and private supporters, and the City's workforce system to build a pipeline of housing development professionals;
- Ensure that the professional field of housing development better reflects the ethnic and racial diversity of San Francisco by creating a training and internship program in partnership with CCSF for its students; and,
- Strengthen local affordable development projects by incorporating a successful local workforce program.

While this program is still in the development stage, Career Services and RCP have begun to identify specific program goals that will guide the parties as the initial structure is developed. We also understand that the structure of the program will continue to evolve as we engage CCSF students and faculty in discussions about how the program can best support their academic and curriculum paths. Our initial program goals are to:

1. Establish partnerships with host agencies that will provide job skills training, career development support and/or leadership programming for CCSF student interns.
2. Recruit and retain a 6-8 member cohort of CCSF students to participate in a paid internship offering exposure and experience in the affordable housing, real estate development, and community development sectors.
3. Institute a formal partnership with CCSF leadership and support faculty to publicize program, recruit interns, and advise on curriculum and internship experience.
4. Acquire the needed financial support from host agencies, foundation partners, sponsors, and public agencies to fund intern salaries and secure a program manager position.
5. Garner a formal internship accreditation through the creation of "certificate of achievement" designation from CCSF.
6. Develop and manage the partnership through the creation of program structure, facilitate joint trainings, create outreach materials, develop internship materials, and act as public ambassador.

Developer and City College will collaborate to continue development of this program, with the goal of implementing it as an annual part of CCSF's course offerings.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

CITY COLLEGE:

By:

SAN FRANCISCO COMMUNITY
COLLEGE DISTRICT

DEVELOPER:

RESERVOIR COMMUNITY PARTNERS, LLC,
a Delaware limited liability company

By its Members:

BHC BALBOA BUILDERS, LLC,
a California limited liability company

By: **BRIDGE Housing Corporation,**
a California non-profit public benefit corporation

By: _____
Name: Brad Wiblin
Title: Vice President

AVB BALBOA LLC,
a Delaware limited liability company

By: **AvalonBay Communities, Inc.,**
a Maryland corporation, its sole member

By: _____
Name: Joe Kirchofer
Title: Vice President - Development