

LeeAnn Pelham
Executive Director
San Francisco Ethics Commission
25 Van Ness Avenue #220
San Francisco, CA 94102

Re: Letter of Support for the Commission Waiver of Campaign and Governmental Conduct Code Sections 3.234(a)(1) and (a)(2) for Kearstin Dischinger

Ms. Pelham:

I am writing in support of Kearstin Dischinger's request for that the Commission waive Campaign and Government Code Sections 3.234(a)(1) and (a)(2) so that she may support the City's effort to create mixed-income housing at the Balboa Reservoir.

Given the current stage of the Balboa Reservoir project, Kearstin would not be in a position to exert control over the Planning Department's decision making process. She would, however, leverage her deep knowledge of the City's planning policies and processes to help the development team design a project consistent with City requirements, which would enable the project to deliver much-needed housing as rapidly and smoothly as possible.

The Office of Economic and Workforce Development is a lead City agency for the Balboa Reservoir project, representing the City in negotiations with the development team and overseeing overall project management and coordination. We have played a similar role in many other large public-private development projects and have intimate firsthand experience in how the Planning Department interacts with developers at all stages of the planning process.

Based on this experience, I would like to dispel the concerns that have been raised:

- **Fiscal Feasibility** – The Planning Department plays no role in the Chapter 29 fiscal feasibility analysis. It is conducted by a consultant under the management of OEWD staff. The City Economist and Board of Supervisors' Budget Analyst then has the opportunity to review it and advise the Board of Supervisors on whether the findings are correct.
- **Project Summary** – The project has already been defined in the "Development Principles & Parameters" document, which was shaped by extensive feedback from the Balboa Reservoir Community Advisory Committee (BRCAC), and further refined in the proposal that the development team submitted in response to the City's request for proposals (the "Proposal"). The Planning Department cannot singlehandedly authorize the project to diverge from the Principles & Parameters and the Proposal; buy-in from OEWD, the SFPUC, and community stakeholders would also be required.

These Principles & Parameters and the Proposal will also form the basis of the Project Description that is required to commence environmental review under the California Environmental Quality Act (CEQA). The Project Description describes the most environmentally

impactful version of the project so that the City can understand its environmental impacts in a worst case scenario. The City is under no obligation to approve the project as described in the CEQA Project Description, and in fact many projects end up seeking approvals for a less intensive development program than what is studied under CEQA.

Because Planning cannot singlehandedly amend the Development Principles & Parameters or the Proposal, and because the Project Description does not dictate the ultimate project, Kearstin's actions during her first year at BRIDGE Housing could not dictate the final, approved project.

- **Presentations** – The Balboa Reservoir development team is comprised of five different organizations and their consultants, so it is not critical that Kearstin make any presentations or other proposals to Planning Department staff. The team has been structured in such a way that their design consultants and community outreach consultant are the team members who present regularly to Planning staff. By contrast, presentations and proposals by BRIDGE Housing staff are likely to focus on affordable housing finance and be directed to OEWD, MOHCD, and the SFPUC.

I would be happy to provide additional information on the Balboa Reservoir project's staffing structure or suggestions for how to structure Kearstin's involvement in such a way that would allay concerns without compromising the City's ability to benefit from Kearstin's housing expertise.

Thank you for your consideration.

Ken Rich

Director of Development