

Staff has prepared the attached memorandum for inclusion in the BRCAC's annual progress report to the Board of Supervisors. The report will also include the Balboa Reservoir Development Parameters and a cover letter from the BRCAC Chair.



To: Lisa Spinali, Chair, Balboa Reservoir Community Advisory Committee
Members of the Balboa Reservoir Community Advisory Committee

From: Phillip Wong, Office of Economic and Workforce Development

Date: November 10, 2016

Re: **Overview of Balboa Reservoir CAC Process, Prepared for Board of Supervisors Report**

At your request, we have prepared this overview of the Balboa Reservoir Community Advisory Committee ("BRCAC") process, and related community outreach by City staff, for inclusion in the BRCAC's annual report to the Board of Supervisors. In brief, over the past year, the BRCAC met 16 times, approximately once per month. Concurrently, staff met with neighborhood groups, housing advocacy groups, and City College stakeholder groups to keep them apprised of the BRCAC's process and solicit feedback. The BRCAC completed and approved a set of development principles and parameters on September 12, 2016, allowing us to move to the developer selection stage of the project. Per the BRCAC's enabling legislation, the BRCAC will continue to meet regularly and provide feedback during and after developer partner selection, up through the project's final approvals.

Creation of the CAC

In January 2015, the Planning Department ("Planning"), the Office of Economic and Workforce Development ("OEWD"), and the San Francisco Public Utilities Commission ("SFPUC") held a series of preliminary community meetings to discuss opportunities for the Balboa Reservoir site. This plot of land was one of the initial sites identified for the Public Land for Housing Program, which seeks to address the City's affordable housing challenges by utilizing public land belonging to City departments.

Following these initial community outreach efforts, Supervisor Norman Yee introduced and the Board of Supervisors approved an ordinance on March 31, 2015, establishing the BRCAC. The first responsibility of the BRCAC, as outlined in the legislation, is to "provide feedback on what development objectives should be included in the Request for Proposals to be issued by the City for development of the [Balboa Reservoir] site." Once the development objectives have been determined, the BRCAC is to continue to act as an advisory body and forum for community feedback during developer selection, project design, and final approvals.

The BRCAC is comprised of nine seats, each filled by representative of one of the Balboa Reservoir project's diverse constituencies, as follows:

- The Westwood Park Association and Sunnyside Neighborhood Association presidents, or their designees
- Representatives of City College of San Francisco ("City College"), the Balboa Park Station Community Advisory Committee, and the Oceanview-Merced-Ingleside neighborhood, each appointed by the District 7 Supervisor
- Representatives of the Ocean Avenue business community and the SFPUC Citizens Advisory Committee, as well as two at-large positions, each appointed by the Mayor

CAC Process to Date

The inaugural meeting of the BRCAC took place on Monday, August 26, 2015. During the year that followed, sixteen (16) BRCAC meetings were held, each of them two to three hours in length. Over the course of these meetings, the BRCAC completed the first of its two objectives, discussing and finalizing development principles and parameters for the development of the Balboa Reservoir. These principles and parameters, detailed in the attached document, provide guidance in the following areas:

- Housing
- Transportation
- Project's Relationship to City College
- Public Realm
- Urban Design & Neighborhood Character
- Sustainability
- Additional Public Benefits

The creation of the document was an iterative process--wherein staff proposed initial drafts based on community feedback received prior to the BRCAC's formation, and then refined those drafts based on the BRCAC and community's direction. The BRCAC heard from stakeholders who regularly attended meetings (approximately 35 to 85 members of the public per meeting) and from others who submitted comments by phone and email. City staff drafted, revised, and finalized the development principles and parameters based on feedback from BRCAC meetings, prior community meetings, surveys, phone calls, emails, and staff's professional knowledge of land use best practices.

Supervisor Yee actively engaged with staff, the BRCAC, neighborhood groups, and affordable housing stakeholders to refine the development principles and parameters while also regularly attending meetings. In particular, he engaged with the affordable housing parameters in great detail, proposing enhanced affordable housing requirements that the BRCAC ultimately supported.

Concurrent with the BRCAC meetings, City staff attended meetings with Supervisor Yee; the City College Board of Trustees, Capital Projects Planning Committee, and Participatory Governance Committee; the affordable housing advocacy groups Council of Community Housing Organizations ("CCHO"), Communities United for Health and Justice ("CUHJ"), People Organizing to Demand Environmental and Economic Justice ("PODER"); and local neighborhood groups including the Balboa Park Station Community Advisory Committee, the Westwood Park Association, and the Sunnyside Neighborhood Association.

Members of these groups also regularly attended the BRCAC's monthly meetings, as did community members affiliated with the Oceanview-Merced-Ingleside neighborhood, Excelsior neighborhood, Ocean Avenue Community Benefit District, City College (students, faculty, employees, administrators, and Trustees), Riordan High School, Lick-Wilmerding High School, BART, SFCTA, San Francisco Bicycle Coalition, GrowSF, Bay Area Renters Federation, San Francisco Housing Action Coalition, SPUR, the Office of Congresswoman Jackie Speier, the Filipino Community Center, and Coleman Advocates for Children and Youth, along with other interested members of the public.

The development principles and parameters are the summation of these participants' feedback and recommendations, resulting from a year-long endeavor to hear and respond to this diverse group's desired outcomes for the Balboa Reservoir site. Staff and the BRCAC worked hard to balance the many different points of view in such a way that provides clear guidance while keeping the door open for continued conversation between the community and the project's developer, once the developer has been selected.

On September 12, 2016, the BRCAC voted with a favorable response to the following question: “Is the CAC satisfied with the current version of the Development Parameters, to be included in the Balboa Reservoir RFQ (Request for Qualifications) and RFP (request for proposals)?” Seven CAC members voted “yes,” one CAC member voted “no,” and one CAC member was unable to attend the vote but provided written feedback indicating that she would have voted “yes” if present.

Next Steps

This milestone is an important one, though we are still at an early stage of Balboa Reservoir’s planning development process. With the BRCAC’s support for the development principles and parameters, staff will now move on to coordinating the next stage of the process, developer selection, which will be conducted in several phases and is designed to include meaningful community participation.

- ***Request for Qualifications.*** On November 10, 2016, we issued a Request for Qualifications (“RFQ”) that focuses on prospective developers’ experience, financial capacity, and commitment to adhering to the development principles and parameters. An evaluation panel, consisting of City College and BRCAC representatives in addition to City staff, will recommend to the SFPUC General Manager a “short list” of the three most qualified RFQ respondents. The RFQ process is scheduled to conclude in February, 2017.
- ***Request for Proposals.*** The “short list” of development teams will then be invited to respond to a Request for Proposals (“RFP”) by submitting more detailed development proposals. These proposals will be presented publicly at a meeting hosted by the BRCAC, which will allow members of the public to effectively provide verbal and written feedback. The evaluation panel will be directed to take this feedback into account when evaluating the proposals.
- ***SFPUC Commission Authorization.*** The panel’s deliberations will result in a recommendation to the SFPUC Commission, which will vote on whether to authorize an exclusive negotiation agreement (“ENA”) between SFPUC and the recommended development team.

Once an ENA has been authorized, the selected developer will begin to refine its development concept in collaboration with City staff and the community. Moving forward from there, the public participation process will include the following steps.

- ***BRCAC.*** The BRCAC will continue to serve as primary forum for community feedback.
- ***Findings of Fiscal Feasibility.*** Prior to commencing the environmental review process for this refined project, the Developer will be required to complete a fiscal feasibility report and receive Board of Supervisors approval for findings of fiscal feasibility.
- ***Project Approvals.*** Once environmental review is complete, the project will return to the Board of Supervisors, as well as the Planning Commission, the SFPUC Commission, and possibly additional City agencies, for final approvals. The approvals package is likely to include a disposition and development agreement, a development agreement, design and development controls, and related revisions to the Planning Code.

Throughout the multi-year process ahead of us, staff looks forward to continuing to work with the BRCAC and the broader community to build consensus around a shared vision for housing at the Balboa Reservoir.