



95 Brady Street
San Francisco, CA 94103
415 541 9001
info@sfhac.org
www.sfhac.org

Lydia Tan, Executive Vice President
Related California
333 Pine Street, Suite 300
San Francisco, CA 94104

December 20, 2013

Ref: 1601 Mariposa Street - Mixed-Use Development

Dear Ms. Tan,

On behalf of the San Francisco Housing Action Coalition (SFHAC), I am pleased to inform you of our full endorsement of your 1601 Mariposa Street proposal. Following our review and discussion, our Endorsement Committee believes the project has significant merit and will make a substantial contribution to SFHAC's mission of increasing the supply of well-designed, well-located housing in San Francisco. This letter reflects several recommendations from the Committee that are focused primarily on car parking and community engagement. We believe that this project embodies the best principals of urban design and, with the implementation of our suggestions, will meet the needs of both present and future San Franciscans.

A copy of the endorsement guidelines we applied in reviewing your project is attached. The proposed project meets our guidelines in the following ways:

Project Description:

Your project proposes a large, mixed-use development with 320 apartments, 21,000 square feet of open space, 9,000 square feet of retail and 275 parking spaces.

Land Use:

SFHAC believes the proposed Project at 1601 Mariposa Street will greatly benefit the Potrero Hill neighborhood and contribute to SFHAC's mission of providing well-designed, well-located housing in San Francisco. The zoning for the entire site is Urban Mixed Use (UMU), a category that encourages a variety of uses to induce a diversity of activities in the neighborhood. The site, currently occupied by the MacKenzie Warehouse and with no current residential use, is anomalous to the community and not well activated. There are numerous jobs centers and amenities in the neighborhood that would be better served by the addition of this large, mixed-use development.

Density:

With 320 apartments, this equates to 96 units per acre. Even though this entirely complies with the City's Eastern Neighborhoods Plan, it is denser than the immediate surrounding area. However, SFHAC believes Potrero Hill has the capacity to easily accept this addition and do its part in helping address San Francisco's housing shortage. We therefore believe the proposed density for 1601 Mariposa is not only entirely appropriate given the context of the neighborhood, but it will greatly improve the neighborhood's livability.

Affordability:

The SFHAC especially commends your locating the Below-Market-Rate (BMR) units on-site. The site is zoned Urban Mixed Use (UMU) for which the on-site affordability requirement is 14.4 percent, higher than the standard inclusionary rate of 12 percent. As a result, this project will build 46 badly needed affordable homes in the Potrero Hill neighborhood.

You have indicated you may be able to increase the on site affordability to 20 percent using tax-exempt bond financing. We are strongly supportive of this approach to maximizing the number of BMRs, as it might provide an example to other developments. We encourage you to pursue this option if financially feasible.

Parking and Alternative Transportation:

The Project site is well served by three transit lines. The 22-Fillmore Muni bus line runs along 18th Street and there is a nearby muni stop, only a 12-minute walk away. In addition, the 22nd Street Cal Train stop is within easy walking distance or by a short bike ride. Further, many of the SoMa employment centers are easily accessible by bike.

SFHAC applauds your proposal to provide one bicycle parking space per bedroom. This is far above the required 1:1 ratio of bicycle parking spaces per housing unit. The project includes a Bike Kitchen, which will make it easy for the building's residents to have their bikes serviced. Additionally, we are enthusiastic that you are proposing six car share spaces, four more than required. Finally, we applaud your agreement to help finance a community shuttle system. As a bonus of being Related California project, residents would receive a discounted membership to ZipCar. These types of creative measures are useful in reducing the auto-dependency of large residential and mixed-use projects.

While we have heard that the site's neighbors want 1:1 parking for the project, SFHAC would prefer that the amount of on-site parking be reduced. At their request, you have proposed 275 unbundled, parking spots, the maximum allowed as-of-right. In the interest of the environment and housing costs, we urge you to decrease the total number of parking spaces and continue emphasizing the other proposed measures that reduce the need for cars. The SFHAC does not believe that reducing the parking levels would harm either your project or the livability of the neighborhood.

Preservation:

There are no structures of significant or cultural merit on the site and we believe that the project has no negative impact on adjacent historic resources.

Urban Design:

The SFHAC is enthusiastic about the project's design, unit mix and use of open space. Although you are quite early in the design process, the renderings depict a creative layout that forms a lively blend of apartments, commercial and the retail space, as well as an attractive open space. Along 18th Street, you have broken up the homes into 25-foot increments, which relate to the context of the townhomes across the street as well as the original neighborhood development pattern. The proposed design is sensitive to the views of the neighbors across the streets as well.

You propose locating a significant portion of your retail along Carolina Street that will reinforce the commercial presence of the Anchor Steam Brewery. We believe you are placing your retail

on the appropriate block, as it will activate the existing community. You have proposed bulb-outs on the corners of 18th and Arkansas Street and Mariposa and Carolina Street. This will help calm traffic where the parking is located and make it safer for pedestrians. You also mentioned during your presentation to us that there are concerns in the community about trees along the streetscape. We urge you to work with Friends of the Urban Forest, who were present for this project review, to address them.

The Project proposes 21,000 square feet of publicly accessible mid-block open space, twice as much as required. This includes a greenway that bisects the site and connects the Potrero Hill neighborhood commercial areas along 18th Street to Jackson Playground on Mariposa Street. We feel that this design will engage the surrounding neighborhood and generate activity from which whole community can benefit. The project also proposes resident's entrances on both Arkansas and Carolina Street.

We believe that the range of unit types and the large amount of open space will make the project friendly to families with children. The SFHAC applauds your decision to put the three-bedroom units at grade, as this will give families with children direct access to the outdoor amenities and enable more effective parental oversight. You have stated that your plans include a secure and flexible indoor play space as well as outdoor picnic/barbeque facilities.

Environmental Features:

The SFHAC is delighted to see the various features you propose to reduce the environmental impacts of the project, which is slated for LEED Silver status. In addition, you explained that Related California's in-house experts and outside sustainability consultants are evaluating additional opportunities to minimize the project's impact on the environment. Your firm has also been working with the Department of Toxic Control Substances (DTSC) for two years to address the environmental issues associated with the site's former underground storage tanks (UST's).

Community Input:

The SFHAC believes you are making a tremendous effort in engaging with and informing the Potrero Hill neighborhood. Up to the time of your presentation, you have met with the following: The Live Oak School, Urban Recess, Anchor Steam Brewery, representatives from the 18th and Arkansas Condominium HOA, Potrero Boosters, Dogpatch Neighborhood Association and the "Grow Potrero Responsibly" group.

Other measures you have taken include regular attendance at meetings for the Potrero Boosters Association and Friends of Jackson Park. You have assisted the Potrero Boosters Association by underwriting an initial study regarding the feasibility of a community shuttle. Finally, you have created a website for the project (www.1601mariposa.com) that includes a survey asking neighborhood residents what kind of retail they would like located at the project.

SFHAC urges you to continue engaging with Live Oak School as the project moves forward. We would applaud reducing impacts to the school or exploring possible benefits that could be shared with that institution.

Ms. Lydia Tan
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Thank you for submitting this project to the SFHAC Endorsements Committee for our review. Please keep us abreast of any changes or updates with this project. We are pleased to support your excellent project as it moves forward. Let us know how we may be of assistance.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Tim Colen", is centered on the page. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Tim Colen, Executive Director

Endorsement Guidelines

Land Use: Housing should be an appropriate use of the site given the context of the adjacent properties and the surrounding neighborhood and should enhance neighborhood livability.

Density: The project should take full advantage of the maximum unit density and/or building envelope, allowable under the zoning rules.

Affordability: The need for affordable housing, including middle income (120-150 of median) housing, is a critical problem and SFHAC gives special support to projects that propose creative ways to expand or improve unit affordability beyond the legally mandated requirements.

Parking and Alternative Transportation: SFHAC expects the projects it endorses to include creative strategies to reduce the need for parking, such as ample bicycle storage, provision of space for car-share vehicles on-site or nearby, un-bundling parking cost from residential unit cost, and measures to incentivize transit use. Proximity to transit should result in less need for parking.

In districts with an as-of-right maximum and discretionary approval up to an absolute maximum, SFHAC will support parking exceeding the as-of-right maximum only to the extent the Code criteria for doing so are clearly met. In districts where the minimum parking requirement is one parking space per residential unit (1:1), the SFHAC will not, except in extraordinary circumstances, support a project with parking in excess of that amount.

Preservation: If there are structures of significant historic or cultural merit on the site, their retention and/or incorporation into the project consistent with historic preservation standards is encouraged. If such structures are to be demolished, there should be compelling reasons for doing so.

Urban Design: The project should promote principles of good urban design: Where appropriate, contextual design that is compatible with the adjacent streetscape and existing neighborhood character while at the same time utilizing allowable unit density; pleasant and functional private and/or common open space; pedestrian, bicycle and transit friendly site planning; and design treatments that protect and enhance the pedestrian realm, with curb cuts minimized and active ground floor uses provided.

Projects with a substantial number of multiple bedroom units should consider including features that will make the project friendly to families with children.

Environmental Features: SFHAC is particularly supportive of projects that employ substantial and/or innovative measures that will enhance their sustainability and reduce their carbon footprint.

Community Input: Projects for which the developer has made a good faith effort to communicate to the community and to address legitimate neighborhood concerns, without sacrificing SFHAC's objectives, will receive more SFHAC support.

