



September 23, 2013

Ms. Kim Diamond
Trumark Urban
90 New Montgomery Street, Suite 750
San Francisco, CA 94105

Ref: 923 Folsom Street – Mixed-Used Development

Dear Ms. Diamond,

On behalf of the San Francisco Housing Action Coalition (SFHAC), I am pleased to inform you of our endorsement of your 923 Folsom Street project. Following review and discussion, our Endorsement Committee believes the project has many merits and will make a substantial contribution to SFHAC's mission of increasing the supply of well-designed, well-located housing in San Francisco. We have proposed several recommendations in our letter focused on parking, sustainability and urban design that we suggest you consider as you move forward with this project. We believe that these suggestions improve its conformance with SFHAC's principals of good urban design.

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 we reviewed consists of a 114-unit mixed-use development, composed of two independent structures connected by an internal courtyard, with 1,800 square feet of ground-floor retail/commercial space and below-ground, off street parking.

Land Use:

The SFHAC believes the project is an appropriate use at this location. It is a positive addition to the surrounding community and provides badly needed housing while enhancing the neighborhood's livability. The site was recently rezoned to Mixed Use – Residential (MUR) as part of the Eastern Neighborhoods Plan, which calls for medium-to-high density residential development due to its proximity to downtown. A bus storage lot, with corresponding commercial uses, currently occupies the site.

The SFHAC is enthusiastic to see residential projects close to various transit options. This project exemplifies the transit-oriented-development we strongly support. The proposed project is close to routes along Folsom Street, 5th Street and 6th Street. Additionally, the site is located within a block of many public transit lines that provide easy access to BART stations and Caltrain. Increasing housing supply close to downtown SOMA and Mission Bay employment centers is exactly right.

The project site is located in the proposed Central Corridor Plan Area. Under that draft land use plan, the project site would be re-designated Mixed-Use General (MUG). There are slight differences between the MUR and MUG districts, as they relate to non-residential uses. However, the project's height and bulk conform to the Central Corridor Plan, which are 85 feet, high facing Folsom Street and 45 feet high along Shipley Street.

Density:

The proposed project meets the SFHAC's criteria for density. The Planning Code requires forty percent two-bedroom units or thirty percent three-bedroom units. In response, the project proposes 46 two-bedroom units, 52 one-bedroom units and 16 Jr. one-bedroom units.

Affordability:

The SFHAC is delighted the Project Sponsor will be providing the affordable units on-site. Trumark Urban has ensured they will comply with the required number of units.

Parking and Alternative Transportation:

The site is served by robust transit options. As a result, SFHAC believes the need for parking is reduced. We would therefore prefer fewer parking spots. SFHAC understands that your team faces challenges balancing the level of parking demanded by the neighborhood with our views. Nevertheless, we believe reducing the parking ratios is helpful.

The project seeks an exception for parking because it proposes an amount greater than one parking space per four housing units (0.25 spaces per unit) but less than the maximum of 0.75 spaces per unit. The maximum parking allowed is 90 spaces. The project currently proposing 87 total parking spaces, including four handicap accessible spaces and one car share space.

The SFHAC would prefer that a greater effort be made towards reducing the total on-site parking by increasing the car share spots. Separately, we are happy to see an ample amount of bicycle parking, totaling 100 spots.

Preservation:

There are no structures of significant historic or cultural merit on the site or nearby that would be negatively affected by the project.

Urban Design:

The proposed project faces unique site circumstances that have been addressed creatively. The proposal consists of two buildings, with one structure fronting Folsom Street and the other fronting Shipley Street that is designed to reinforce the existing urban edges of both street frontages.

The SFHAC enthusiastically supports the abundant amount of open space proposed. This will connect the two structures and create a strong sense of place for the residents. The project provides 9,124 square feet of open space and 8,800 square feet of usable roof-deck on the building facing Shipley Street. In addition, it has 324 square feet of open space on the balconies of units located along Shipley Street. The project also

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proposes 5,660 square feet of outdoor space in an internal courtyard between the structures.

The project is being marketed as a family-oriented development. However, the SFHAC believes more could be done to make the project suitable to families with children. We would prefer the addition of more family amenities to the site. We suggest that the project team create flex space that could be altered later according to the needs of the residents.

In summary, however, the Endorsement Committee believes this development will be an excellent addition to the neighborhood.

Environmental Features:

The SFHAC compliments your adding features that will reduce the project's carbon footprint. However, it seems the precise measures have not been chosen yet, so it is not possible to fully evaluate them. The construction and finish materials for the project will also be selected at a future date to optimize their sustainability.

The SFHAC would like to encourage your team to continue to look at ways to improve the project's efficiency and reduce its carbon footprint.

Community Input:

Trumark Urban has been actively engaged in reaching out to the neighborhood. As part of the City's pre-application requirements, a neighborhood meeting was held at which members of the community were able to voice their views and concerns. In addition, the project team met independently with various neighborhood organizations.

We compliment your efforts to encourage community input.

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,

A handwritten signature in black ink, appearing to read "Tim Colen", with a long horizontal flourish extending to the right.

Tim Colen, Executive Director

ENDORSEMENT GUIDELINES

Adopted January 2010

The SFHAC will consider endorsing housing developments and mixed-use projects with a housing component. The following guidelines will be used to evaluate the project:

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 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.