



September 5, 2014

Mr. John Bickford, Partner
Local Development Group
PO Box 411316
San Francisco, CA 94110

Ref: 1140 Folsom Street – Mixed-use Development

Dear Mr. Bickford,

Thank you for bringing your proposal for 1140 Folsom Street to the San Francisco Housing Action Coalition's (SFHAC'S) Project Review Committee on August 13, 2014. Upon review, we conclude that your project has many merits and will contribute to SFHAC's mission of increasing the supply of well-designed, well-located housing in San Francisco. Please review this letter, which explains how your project meets our guidelines as well as areas in which improvements are suggested. Also see our report card, which grades the proposed project according to each guideline. We have attached a copy of our project review guidelines for your reference.

Project Description

Your project proposes the construction of 112 new apartments above approximately 5,000 square feet of ground-floor retail that could serve up to four tenants, with a subterranean parking garage consisting of 100 car spaces.

Land Use

Two vacant commercial buildings and a surface parking lot currently occupy the site. The SFHAC believes your proposal for 112 new homes with ground-floor retail is an appropriate use of the existing site. The Folsom Street corridor is increasingly becoming a more active, pedestrian-oriented neighborhood and your proposed development supports that transition very well.

Density

There is no density limit on the site. However, your project does make good use of the building envelope and will support slightly larger units than we have seen in the past. It should be noted that your project is made more difficult because it straddles two different zoning areas, one with a 65-foot maximum height limit and the other with a 40-foot maximum height limit.

Affordability

The SFHAC supports your decision to build the below-market-rate units on-site. The standard Inclusionary rate of 12 percent applies, or 13 of the homes.

Parking and Alternative Transportation

As you mentioned during your presentation, Folsom Street is becoming a more transit-oriented and pedestrian-friendly corridor. Your site is located within walking distance to several Muni

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bus lines and the Civic Center BART Station. Folsom Street has also become an attractive bicycle route for many commuters. All of these factors bode well for increased housing density at this location.

However, you request a Conditional Use Authorization (CU) to exceed the permitted amount of parking. You are proposing 100 parking spaces, a 0.89:1 parking space-to-unit ratio. While we understand this decision was in response to feedback from the community, SFHAC finds this amount of parking excessive. In our view, it does not support the City's transit-first policies or the evolving context of the neighborhood. We strongly encourage you to reduce the parking ratio to 0:75:1 spaces per unit, the maximum allowable as-of-right.

Our Committee fully supports the 1:1 bike parking. However, we urge you to consider increasing the number of car share spaces, which you indicated was only a single space.

Preservation

There are no structures of significant cultural or historic on or near the site that would be affected by your proposed development.

Urban Design

Our Committee was very positive about the overall design. Your plans significantly enhance the corner of Rausch and Folsom Streets, which we believe will become a prominent feature of the streetscape. We support the proposed bulb-out for this corner and like the proposed street trees. In sum, we think the development will promote an active, pedestrian-friendly environment and support the retail it brings to the neighborhood.

Your project's open space will be distributed between the rear yard, rooftop garden and private balconies. This is a thoughtful design that addresses the homes adjacent to the rear yard. As you move forward with the development, we urge your team to be considerate of maintaining the privacy of the townhomes along Rausch Street.

Environmental Features

Because you are still in the early stages of the project, you were unable to provide many details of the specific environmental features you plan to incorporate. You mentioned to us at the presentation that you are considering installing rooftop solar hot water. However, that may be difficult due to the shadow cast by the taller portion of your building on the lower portion along Rausch Street.

Other features planned include an on-site cistern to minimize storm water impacts, low-flow fixtures and landscaping with native species. We encourage you to continue exploring innovations that will help green the building.

Community Input

You have been very thorough in your outreach to the community. You mentioned during the presentation that you have had over 40 meetings with various individuals, including two larger community meetings. This feedback has been incorporated into the building's overall design, including the neighborhood's desire to increase the number of parking spaces. While we are supportive of your efforts to accommodate the neighbor's views, the SFHAC takes a wider

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perspective ,which is the necessity to incrementally reduce the influence of private auto use near major corridors like Folsom Street.

Thank you for bringing your project to the SFHAC for review. We are pleased to endorse it. Please keep us abreast of any changes and let us know how we may be off assistance.

Sincerely,

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

CC: President Cindy Wu and Members of the SF Planning Commission

SFHAC Project Review Criteria

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 Area Median Income) 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.

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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.