



May 28, 2010

Mr. Bert Polacci
Stellar Management
3711 Nineteenth Avenue
San Francisco CA, 94132

Re: Proposed Mixed-Use Project at Parkmerced

Dear Mr. Polacci,

On behalf of the San Francisco Housing Action Coalition (SFHAC), I am pleased to inform you of our enthusiastic endorsement of the Parkmerced 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 that conforms to good urban design principles and meets the needs of present and future San Franciscans.

The proposed project meets our endorsement criteria in the following ways:

Project Size:

The proposed project involves the construction of approximately 5,679 new residential units on a site comprised of 155 acres.

Land Use:

The project proposes sharply increasing the housing density, intensity of land use and transit friendliness in a relatively low-density area of the City. The proposed land uses are far more suited to the environmental challenges we face than the existing ones. The SFHAC strongly supports the proposed uses for the site and the distinctly more urban design of the project. It is unfortunately too rarely that we see projects this well designed on San Francisco's west side.

Density:

The project proposes the construction of 5,679 net new residential units and an additional 1,538 units to replace the existing garden apartments. It would provide approximately 300,000 square feet of new neighborhood-serving retail and 68 acres of public open space.

Affordability:

The project complies with the City's inclusionary ordinance by providing fifteen percent on-site, below-market-rate housing units. It preserves rent-controlled housing for current residents and guarantees their placement in new housing as the units become available.

Alternative Transportation and Parking:

As we understand it, the project proposes close to 1:1 parking, which is the maximum SFHAC can approve under its guidelines. Given the intensive investments proposed for public transit for this project, SFHAC encourages creative strategies to reduce the need for parking below this ratio, such as by provision of ample spaces for car sharing, trip demand management (TDM) programs and bicycle parking.

Historic Preservation:

While the SFHAC might support preservation of a small amount of the distinctive low-density, post-war town homes for posterity, we do not believe that in general they are historically significant or deserving of protection.

Urban Design:

The proposed project promotes the principles of good urban design and increased transit-orientation. The proposed project appears designed to create a livable, mixed-use urban community that will encourage access to nearby neighborhood-serving retail and public open space.

Environmental Features:

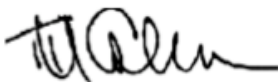
The SFHAC is highly supportive of the ambitious and innovative focus on decreasing the development's carbon footprint as well as its goals of "net zero energy" and "net zero water."

Community Input:

The SFHAC is impressed with community outreach to date, including numerous meetings over the last two years with the local organizations and other interested parties. The SFHAC encourages the project sponsor to continue this important dialogue with the community.

Thank you for submitting this project to the SFHAC Endorsements Committee. Please keep us abreast of any changes or updates with this project. However, we are pleased to fully endorse your excellent project. It meets our guidelines in an exemplary fashion. Please let us know how we may be of assistance.

Sincerely,



Tim Colen
Executive Director