



Mr. Robert Huggins, Vice President  
Encore Capital Management  
One Letterman Drive , Bldg. C, Suite 3800  
San Francisco, CA 94129

October 23, 2014

**Ref: 1075 Market Street – Mixed-use Development**

Dear Mr. Huggins,

Thank you for bringing your proposal for 1075 Market Street to the San Francisco Housing Action Coalition's (SFHAC) Project Review Committee on September 24<sup>th</sup>, 2014. Upon review, we believe 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 a suggested improvement. Also, our report card is attached, which grades the proposed project according to each guideline. We have attached a copy of our project review guidelines for your reference.

**Project Description:**

The proposed project would replace a long-vacant movie theater with 90 homes in a 90-foot, eight-story building, with ground-floor commercial space and subsurface parking.

**Land Use:**

The SFHAC believes this is an excellent site for new housing. The proposed project would replace a vacant eyesore. It is located in the rapidly evolving Mid-Market neighborhood. We strongly support new housing as a means to activate an area that would greatly benefit from it.

**Density:**

The SFHAC supports your approach to maximizing density that builds relatively small, efficient units that will be more affordable than larger homes. Your unit mix emphasizes studios and one-bedroom units with an average unit size of approximately 616 square feet. This is about 100 square feet less than the average unit size of other projects entering the market and will bring more housing within financial reach of new residents.

**Affordability:**

The SFHAC commends you for providing the Inclusionary below-market-units on-site. The 12 percent Inclusionary rate equates to 11 new permanently affordable homes.

Mr. Robert Huggins  
October 23, 2014  
Page Two

**Parking and Alternative Transportation:**

Our Project Review Committee believes this project successfully embraces the principles of transit-oriented development and promotes our City's transit-first policies. The site is located near the Civic Center BART and Muni rail station and is within close proximity to several Muni bus stops. It also fronts the City's premier bicycle corridor on Market Street.

The project proposes 24 underground car parking spaces, including one car share space, all on stackers, a low ratio of about 0.26 spaces to one residential unit. In addition, it plans to provide 92-Class 1 bicycle spaces, plus additional at-grade Class-2 bike spaces, a better than 1:1 bike parking ratio. This is a very good example for other projects in the area.

**Preservation:**

There are no structures of significant or cultural merit on the site. The proposed building replaces an old movie theater whose interior and exterior façade have been so extensively modified over the decades that the Planning Department determined it has little historical value.

**Urban Design:**

The SFHAC supports how the project's façade on Market Street respects the formality of nearby Market Street buildings and presents a modern interpretation of the classic base-middle-top modulation. Our members believe it fits contextually with the surrounding neighborhood. You considered the architectural style of the surrounding buildings and worked to develop a design consistent with this.

The open space is well designed and would be provided with both a landscaped interior courtyard and a roof deck. A ground-floor retail space with exterior landscaping will activate and improve Stevenson Street, a street that has long needed it.

The ground-floor commercial space on Market Street will also help activate the neighborhood. However, our members believed that you might consider making the entrance to your lobby more prominent to distinguish it from adjacent commercial frontages and create a stronger identity as a residential building. One member mentioned that there do not appear to be places for residents or visitors to wait in the lobby.

**Environmental Features:**

The SFHAC supports the measures you employed to enhance the sustainability of the project, which targets LEED Gold. Some of your environmental features include low-flow plumbing fixtures and storm water capture and reuse.

Mr. Robert Huggins  
October 23, 2014  
Page Three

**Community Input:**

It appears that you have been thorough in your outreach to the community. This includes meetings with the Central Market Community Benefits District as well as neighborhood meetings related to the activation of Stevenson Street. During your presentation to our Committee, you expressed that community feedback has been positive. We understand you are still conducting community outreach and we encourage you to continue to engage the neighborhood and respond to legitimate concerns that can readily be accommodated.

We believe this project sets a valuable precedent for the Mid-Market neighborhood and are pleased to endorse it without reservation. Please keep us abreast of any changes and let us know how we may be of 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 at the end.

Tim Colen, Executive Director

CC: 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.

Mr. Robert Huggins  
October 23, 2014  
Page Five

**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.