



Peter Schellinger, Vice President of Development
Lennar Multifamily Communities
492 9th Street, Suite 300
Oakland, CA 94607

April 5, 2016

Dear Mr. Schellinger,

Thank you for your team's presentation on the 1515 South Van Ness Avenue project to the San Francisco Housing Action Coalition's (SFHAC) Project Review Committee on both November 11, 2015 and February 24, 2016. Upon thorough review and discussion, and consideration of the improvements made to your project, we believe your plans have merit and align with our goals of increasing the supply of well-designed, well-located housing at all levels of affordability in San Francisco. Please review our letter, which explains how your project meets our guidelines, as well as areas suggested for improvement. Also see our report card, which grades your project according to each guideline. We have attached a copy of our Project Review Guidelines for your reference.

Project Description: The project would demolish the vacant McMillan Electric building and construct a mixed-use development consisting of 157 rental homes, ground-floor space for trade shops and subterranean parking for 82 cars.

Land Use: This is an excellent location for new housing. The site is within walking distance to transit, jobs and neighborhood amenities, particularly along 24th Street.

Density: We support your plans to provide 157 dense, relatively small units, ranging between studios and two-bedroom apartments.

Affordability: You currently are planning to make 12 percent of your units permanently affordable. However, you also stated you're exploring how to increase that amount, an effort we commend. We would support a higher inclusionary percentage, if financially feasible. We also encourage you to examine the Inclusionary "dial" to provide more below-market-rate units at a greater range of affordability, should that option be available to you.

Parking and Alternative Transportation: The site is very transit-rich. The 24th Street BART Station is within walking distance, there are prominent bike lanes along Cesar Chavez and Folsom Streets and several Muni bus lines run nearby. We support the low car-parking ratio of 0.5 spaces per unit and the 160 bicycle parking spaces the project would offer. In addition, we support your decision to provide three car share spaces.

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Preservation: There are no structures of significant cultural or historic merit on or near the site that would be impacted by the proposed project.

Urban Design: The project has improved significantly since we first reviewed it. Our members initially had some reservations with the ground-floor design, but believe those have been addressed well. The ground floor will now be comprised of a series of trade shops that will help activate the street and increase opportunities for local businesses in the Mission. Your plans would also improve the pedestrian experience for residents and neighbors alike. The space in front of the trade shops steps back six feet and most of the ground-floor residential units have stoops.

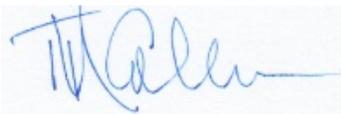
Open space would be provided in the form of a rear courtyard and rooftop terrace. While our members believe that the project has improved, some mentioned that the building's corner at 26th and South Van Ness should be reviewed so it's in keeping with the rest of the development. We also believe the entrance to the interior courtyard from 26th Street should be recessed further and then made wider as it works its way towards the open space.

Environmental Features: The project will meet the basic criteria set forth by the City and adhere to the San Francisco Green Building Ordinance. We encourage you to implement more features that further green the building, particularly those addressing water conservation.

Community Input: While we understand several vocal members of the community will only accept a 100 percent affordable project at this site, we understand the economic realities you and the City face. We appreciate the efforts you've made to address the community's concerns, which include potentially signing a master-lease to a nonprofit for ground-floor space in your building and looking into ways to provide more BMRs. We encourage you to continue making a good-faith effort to engage residents near the site about your plans.

Thank you again for presenting your plans for 1515 South Van Ness Avenue. We are pleased to endorse the project. Please keep us abreast of any changes and let us know how we may be of assistance.

Sincerely,



Tim Colen
Executive Director

SFHAC Project Review 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 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.

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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.