December 3, 2021

- To: Supervisor Gordon Mar, District 4 Director Eric Shaw, Mayor's Office of Housing and Community Development
- From: Senior Director of Housing Development Katie Lamont, TNDC

RE: 2550 Irving Design Narrative Planning Application Submittal Stage

Dear Supervisor Mar and Director Shaw,

I'm writing to provide an overview of our design framework for 2550 Irving Street, as well as a summary of the input received through our community-focused planning process and how we responded to that input. A wide array of stakeholders shared their hopes and dreams related to program and design. We've balanced these inputs with physical site constraints, financing requirements, and operational best practices. We are truly appreciative of all stakeholder engagement and thank you for your part in facilitating constructive community input. Please continue to direct members of the public who reach out to you with ideas and questions about the proposed affordable housing to our website, office hours, and community meetings.

Summary of Responses to Community Input Incorporated into Planning Application Submittal

Our architect has done a lot of work to make sure the building's design is responsive to the context of the neighborhood surrounding it and how neighbors experience the community. We are proud of the resulting design and trust the community will be too. The revised design reflects both input received throughout the community engagement process and revisions required to accommodate recently discovered site utility conditions.

Here is a summary of the design and program elements we've refined since the design presented at the September 23rd Community Meeting #3.

To accommodate site utility conditions, we

- Added a 10-foot setback from the northern property line next to neighboring homes on 26th Avenue to accommodate existing PG&E utilities that must remain accessible
- This results in the reduction of the number of apartments from 99 to 90
- Achieving the required setback also eliminates the ground floor family childcare unit, as we are left with decreased square footage and can no longer accommodate a childcare unit that would be of sufficiently size and located adjacent to open space.

In response to feedback from the community, we've

- Continued to prioritize Sunset families by maintaining 50% of the apartments to be 2- and 3- bedrooms.
- Taken the opportunity to increase the percentage of 1-bedrooms to 40% and reduce the percentage of studios to 10%
- Preserved the ground floor meeting room for community activities
- Added a recreational area on the roof
- Added architectural interest to the northern façade, which is captured in a rendering from Lincoln Avenue

- Eliminated benches along Irving Street and enlarged windows on the 27th Avenue facade
- Entered into dialogue with the newly formed Sunset Chinese Cultural District to plan for culturally inclusive public art.

Background and Need

TNDC is an affordable housing developer, owner, property manager, and service provider with a 40-year history serving the City of San Francisco. We develop communities where people with a range of income levels, family structures, and backgrounds live as neighbors and locate them in places where transit, parks, schools, libraries, grocery stores, pharmacies, and other services are within easy walking distance. We are following State and local housing policy direction to expand affordable housing opportunities in parts of the City where there is need and demand, but little previous investment.

There is tremendous unmet need for affordable homes in the Sunset. In the last year, there were 4,400 applications for affordable housing from the Sunset. Due to the severe lack of housing, only 35 of these received placements anywhere in the City. Between 2011 and 2020, only 17 new affordable homes were built in the Sunset.

2550 Irving is an exciting opportunity to finally bring necessary affordable family homes to the Sunset. Located at the western end of the Irving Street commercial corridor, the building will serve as a transition between commercial and residential areas. Our goal is to design a building that will be an asset to the neighborhood and contribute to the City and community's need for safe, affordable homes for families.

Design Narrative and Evolution

When we design buildings, we work with our architect, internal partners who lead property management and tenant services, city planners, and community members to creatively balance these four influences:

- Neighborhood vision, including community needs and aspirations
- *Site constraints,* including the interplay between physical constraints, planning requirements and building codes
- Financial constraints, including State and local policy implemented through funding priorities
- Best practices in affordable housing design and operations based on our experience

Since late 2020, TNDC has been meeting with many community-based organizations in the Sunset, including the District 4 Youth & Family Network, the Westside Affordable Housing Cohort, the Mid Sunset Neighborhood Association, and the Westside Community Coalition, in an effort to better understand the community, to build guiding relationships, and to inform a year-long community engagement and design process. In March 2021, we held "community conversations" with key leaders and community members that centered on developing a deeper understanding of the strengths, assets, challenges, and values of the Sunset community. Through a combination of town halls, community meetings, and deep listening sessions, the community described principles which have guided our design.

The seven Design Guiding Principles are:

- 1. Ensure a Community-Informed Development
- 2. Reflect the Existing Built Environment in the Design
- 3. Prioritize Sunset Families and their Needs
- 4. Minimize Development Impacts

- 5. Design Places to Gather & Foster Community Building
- 6. Optimize All Modes of Transportation, Parking and Mobility
- 7. Incorporate Green Design

These Design Guiding Principles, along with physical site constraints, financing requirements, and operational best practices, influence our building design.

Building Form and Materials

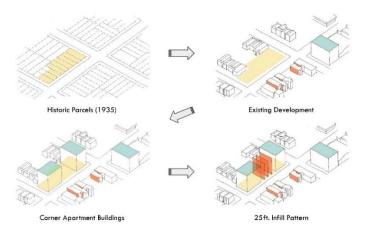
Reflecting the Existing Built Environment in the Design: From the beginning of our outreach efforts, community members have voiced that the Sunset's existing built environment should be reflected in the design for 2550 Irving. This has been the driving guiding principle of the overall building design and individual elements.

The shape of the 2550 Irving property, which runs the length between 26th and 27th Avenues and is 90 feet deep on 26th and 60 feet on 27th, along with the planning code and consistency with other Irving Street treatments, guides us to orient the building's front towards Irving.

The building's proposed design reflects the existing Sunset neighborhood street pattern of 25 ft and 30 ft mid-block frontages along with 60 ft x 90 ft corner parcels. The design breaks the block-long parcel down into three primary portions using the following scale and pattern: two corner apartment-sized forms - one each at both the 26th and 27th avenues corners – plus a third, middle section whose facade articulation follows the pattern of smaller neighborhood 25 ft wide parcels to infill the rest of the building.



Building Scale in relation to existing Neighborhood Patterns



We also heard from immediate neighbors concerned about the building height and expressing a desire to decrease the number of stories. To address this concern, the middle section of the building has been designed to reduce the perceived scale and height by setting the whole section back five feet and increasing the setback on the top floor by an additional four feet, breaking up the Irving Street façade by using distinct materials and creating a step-down.



Conceptual Rendering: 27th & Irving, looking east

A backyard with landscaped playspace and courtyard is located in the rear yard, on the ground floor off the community room and main lobby. This allows residents to enjoy natural elements as part of their daily travels. The rear yard open space sets the building back more than thirty feet at the ground floor and twenty-three to twenty-five feet from the property line above the ground floor. We've also added a 10 foot setback from the northern property line closest to 26th Avenue and shaped and located stair and elevator penthouses to minimize shadows and massing for neighboring properties north of the building.

As part of our community meetings, we asked community members about architectural elements and features that made the Sunset unique. We also studied various apartment buildings in the Sunset. At these meetings and over the course of the project's development, we shared pictures of architectural elements from these buildings and received feedback regarding building styles, façade materials, articulation of bays, rooflines, and preferred building entry design elements. The input received shaped the proposed building façade.

At the September 23, 2021 community meeting, we received suggestions for modifications regarding outdoor benches, the entryway, façade treatments, and public art, which we have addressed.

Conceptual Rendering: Irving Street



Ground Floor Design & Interaction with the Public Realm

The proposed building design balances physical site constraints with the Design Guiding Principles and operational best practices, while creating an open and welcoming street façade.

Minimizing Development Impacts: Irving is a pedestrian focused street that neighbors travel to access the commercial district. We've worked with a respected transportation consultant to minimize pedestrian and traffic conflicts by locating essential services such as trash and electrical room on 27th Avenue and parking garage access on 26th Avenue.

Design Places to Gather & Foster Community Building: Throughout the community engagement process we've heard Sunset residents emphasize the need to create spaces that foster community building and are welcoming not only to the building tenants but also to the surrounding community. To that end, we've designed the ground floor to be the heart of the building. As people flow through the green entry into the lobby, past staff offices and the mail area, on their way to the elevators or to the community room, laundry room, or landscaped playspace and courtyard, they encounter spaces and furnishings that encourage gathering. Here tenants come together and build relationships with staff and their neighbors.

Neighbors will experience the building passing along the adjacent sidewalk on their way to or from Irving or traveling down Irving. At the corner of Irving and 26th, there will be a public art element celebrating the new Sunset Chinese Cultural District. Then there will be the entrance to an office to be shared with community groups, followed by the main entrance to the apartments, where an open-air passage through the property leading to the rear courtyard will create a visual connection that invites passerby into the life of the building.

Ground Floor Plan and Site Plan



Incorporating Green Design: We've heard from community members that they would like to see green features and plantings incorporated into the street experience and building exterior. We will incorporate sustainable design elements throughout the building and the site, including landscaping with drought-tolerant native species.

We've incorporated the idea of providing additional recreational areas on the roof and are planning for urban agriculture in the available space left after mechanical equipment and solar panels are laid out.

TNDC's urban agriculture rooftop farms provide welcoming spaces for tenants to gather, volunteer, or just connect with nature. The farms provide access to local, nutritious, and culturally appropriate food, getting it into the hands of communities that have experienced food insecurity or limited access to healthy food. Access to nutritious food improves individual health and wellbeing and combats food related chronic diseases. Therapeutic layouts allow the experience of nature to alleviate mental fatigue, lower anxiety and depression, and increase mental health. Rooftop farms keep buildings cool, thus reducing carbon emissions, and improve air quality for our community. Research shows that contact with nature helps children develop cognitive, emotional, and behavioral connections to nearby social and biophysical environments. Families will be able to directly benefit from this built environment and participate in a variety of farm and food-related activities to support their health and wellbeing.

Apartment Design

Prioritizing Sunset Families and Their Needs: We received a tremendous amount of feedback about the desire for family housing due to the family-friendly nature of the Sunset. Early in the community engagement process, we heard a strong call for homes which allow intergenerational households to live comfortably and thrive. Our proposed apartment home layout supports families sharing time together, with the kitchen, living area, and dining space sized so families can share space comfortably. Each bedroom will be sized to accommodate a small desk and there will also be a bulk storage space attached to the larger apartments.

While we reduced the number of apartments, we've kept 25% 3-bedrooms and 25% 2-bedrooms, and took the opportunity to increase the percentage of 1-bedrooms and reduce the percentage of studios.

Parking & Improved Mobility

Optimize All Modes of Transportation, Parking and Mobility; Minimize Development Impacts: The building is located one block from the N-Judah and the 29-bus line and will provide indoor residential bike parking. Hearing that these transit lines and biking options don't work for everyone, we're providing a parking garage that is not required by the City and planning to utilize a parking stacker system to optimize the number of parking spaces.

Hearing the concerns of immediate neighbors, TNDC hired transportation consultant Fehr & Peers to conduct a parking and mobility study to look specifically at how residents will access the building and what forms of transportation they will utilize. The study confirmed it advisable to locate the garage on 26th

Avenue in order to minimize pedestrian and bicycle conflicts and to improve safety for everyone overall, regardless of their mode of transport. The study noted no anticipated turning or waiting conflicts for cars entering the parking lot on the east side of 26th Avenue, which is



currently being used for shoppers at Sunset Super. A Drop-off/Pick-up Zone will replace one parking space on Irving Street, to accommodate deliveries, ride-share access, etc. 14 street parking space will remain.

Financial Constraints

Affordable housing developments use multiple layers of financing from local and State resources. More than 50% of 2550 Irving's costs are financed through extremely competitive State processes. These programs favor developments which use State resources efficiently while creating the highest public benefit. Affordable housing developments come with a number of fixed costs that are the same no matter how large or small the building. In order to spread those fixed costs out so their per-unit cost is reasonable, and to achieve economies of scale for construction costs and building operations, TNDC has determined that this building needs to have at least 90 apartments. Since the amount of rent collected is limited due to the building's affordable nature, this is the minimum number of apartments required to bring in enough rent to cover the costs of maintaining the building in high quality condition. Balancing costs, it's important that we also deliver the deepest affordability possible and design for long-term sustainability, in order to align with City and State policy priorities and be competitive for funding.Public benefits valued by the State include serving people with very low incomes in amenity-rich neighborhoods.

Each of the funding sources we use comes with its own particular requirements for income targeting and rent setting:

- The Proposition A bond passed by San Francisco voters in 2019 requires that all tenants have incomes at or below 80% of the San Francisco Median Income (SFMI), which was \$106,580 for a family of 4 in 2021.
- Funding from MOHCD will require that some apartments be rented at rates affordable to households earning no more than 30% (\$39,950 for a family of 4) or 40% (\$53,300 for a family of 4) of San Francisco Median Income.
- The Low Income Housing Tax Credit program requires that average affordability for all units is at or below 60% of the SFMI, which was \$79,900 for a family of 4 in 2021.
- Depending on which State funding source funds this project, it may push the average affordability to being lower than the LIHTC average of 60% SFMI.
- Finally, SF MOHCD policy requires that at least 20% of the apartments be reserved for families transitioning from experiences of homelessness. TNDC has been serving this population for nearly 30 years and has a highly respected services team.

As a result, it is important for 2550 Irving to be structured with the maximum number of apartments for low-income families to meet these funding requirements. This City and State policy direction aligns with the comments of many speakers at the July 2021 Board of Supervisors hearing, who asked that the City build the most homes possible serving people with the lowest incomes possible. This objective also aligns with Mayor Breed's COVID-19 recovery strategy and TNDC's mission to provide affordable housing for people with low-incomes.

Next Steps

We are so thrilled with this incredible opportunity to provide affordable family housing in an amenities, parks, and transportation rich neighborhood where families will thrive. The level of community involvement and the diverse opinions expressed by Sunset community members are indicative of the civic engagement that will ensure that all Sunset families' needs are addressed. 2550 Irving will be the first ever 100% affordable family housing for the Sunset and the engagement process we've facilitated together has revealed the community's priorities for additional investments needed in District 4. We are excited to have worked with your offices and the community to understand the Sunset's values and where additional opportunities exist. TNDC looks forward to being a long-term partner and representative for the families who will soon call 2550 Irving their home.