

File No. 140469

Committee Item No. _____

Board Item No. 51

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: _____
Board of Supervisors Meeting

Date _____
Date June 24, 2014

Cmte Board

- | | | |
|--------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Introduction Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER (Use back side if additional space is needed)

- | | | |
|--------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Appeal Letter - 04/25/2014</u> |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>DPW Memo - 06/06/2014</u> |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>MOHCD Memo - 06/05/2014</u> |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Clerical Documentation and Hearing Notice</u> |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |

Completed by: John Carroll Date June 17, 2014
Completed by: _____ Date _____

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

2014 APR 23 PM 3:17

②

Louise Model
3350 Scott Street
San Francisco, CA 94123

April 18, 2014

City and County of San Francisco - Board of Supervisors
Clerk of the Board - Angela Cavillo
1 Carlton B. Goodlet Place, Room 244
San Francisco, Ca 94102

Dear Ms. Cavillo,

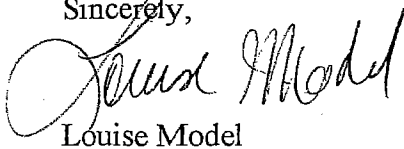
I am writing to you as a condo conversion applicant seeking a waiver of the Expedite Fee required to process my application.

I am applying for the waiver because I have been unemployed for the last four years and have no outside source of income from anyone else, and therefore it is a hardship for me to pay the \$12,000 fee. I respectfully ask for your consideration of my appeal during this difficult time.

I have included my 2013 tax return as supporting documentation for my appeal. Please let me know if there is any other information that would be helpful for you to see and I will be happy to provide the required copies in advance of my hearing.

Thank you.

Sincerely,


Louise Model

modellouise@yahoo.com

415-305-4905



Edwin M. Lee, Mayor
 Mohammed Nuru, Director
 Fuad S. Sweiss, PE, PLS,
 City Engineer & Deputy Director of Engineering



www.sfda.org
 Supervision.Mapping@sfda.org

RECEIVED

14 APR 21 PM 3: 38

Department of Public Works
 Office of the City and County Surveyor
 1155 Market Street, 3rd Floor
 San Francisco, CA 94103

Bruce R. Storrs, City and County Surveyor

Louise Model
 3350 Scott Street
 San Francisco, CA 94123

EXPEDITED CONVERSION PROGRAM INVOICE

Payment due upon receipt
 Thursday, April 17, 2014

Project Information

PID: 8170
 Assessor's Block 0488A
 Lot 044
 Address 3348 - 3350 SCOTT ST

Amount Due
\$12,000.00

Notes:

1. Payment is due upon receipt of this invoice.
2. Payments must be made by Bank or Cashier's Check.
 - a. **Credit Cards and personal checks will not be accepted.**
3. Make checks out to "Department of Public Works – ECP"
4. Please write your Assessor's Block and Lot number on your check.
5. Submit a copy of this invoice with your payment.

Number of Years of Lottery Participation	Number of Units in the Building	Expedited Conversion Fee Per Unit	Total Fee Due
7	3	\$4,000.00	\$12,000.00

THIS DOCUMENT HAS A TRUE WATERMARK - HOLD UP TO THE LIGHT TO VIEW



FIRST REPUBLIC BANK
It's a privilege to serve you™
201 WASHINGTON AVENUE
SAN FRANCISCO, CA 94102



DATE
04/21/2014

1815282 5092

CASHIER'S CHECK

AMOUNT \$12,000.00

11-8166
3210

PAY THE SUM OF

==TWELVE THOUSAND and 00/100==

DOLLARS

TO
THE
ORDER
OF

DEPARTMENT OF PUBLIC WORKS - ECP
ASSESSOR'S BLOCK 0488A
LOT 044

IMPORTANT NOTICE
THE BANK'S CLAIM TO LOST, STOLEN, OR DESTROYED CASHIER'S CHECK
AND DECLARATION OF LOSS FORM MUST BE COMPLETED BEFORE ANY
CASHIER'S CHECK OF THIS BANK WILL BE REPLACED OR REFUNDED. NO
ACTION CAN BE TAKEN UNTIL THE 90TH DAY FOLLOWING THE ISSUE DATE
OF THE CHECK.

Handwritten signature

~~NOT NEGOTIABLE~~

VOID AFTER 90 DAYS

REMITTER: LOUISE MODEL

2 SIGNATURES REQUIRED OVER \$1000.00

WARNING - REAR OF CHECK HAS A UNIQUE HEAT SENSITIVE SECURITY FEATURE

FIRST REPUBLIC BANK

DATE 04/21/2014 1815282

1815282

ACCOUNT NUMBER	CHECK AMOUNT
DEPARTMENT OF PUBLIC WORKS - ECP ASSESSOR'S BLOCK 0488A LOT 044 REMITTER: LOUISE MODEL	\$12,000.00

PLEASE RETAIN THIS STUB FOR YOUR RECORDS

7550

PURCHASER COPY

For the year Jan. 1–Dec. 31, 2013, or other tax year beginning _____, 2013, ending _____, 20

Your first name and initial Louise J		Last name Model	See separate instructions. Your social security number [REDACTED]
If a joint return, spouse's first name and initial		Last name	Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. **3350 SCOTT STREET** Apt. no. _____

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). **SAN FRANCISCO CA 94123**

Foreign country name _____ Foreign province/state/county _____ Foreign postal code _____

Filing Status

1 Single

2 Married filing jointly (even if only one had income)

3 Married filing separately. Enter spouse's SSN above and full name here. ▶

4 Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶

5 Qualifying widow(er) with dependent child

Exemptions

6a Yourself. If someone can claim you as a dependent, do not check box 6a

b Spouse

c Dependents:		(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> if child under age 17 qualifying for child tax credit (see instructions)
(1) First name	Last name			
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>

d Total number of exemptions claimed **1**

Income

7	Wages, salaries, tips, etc. Attach Form(s) W-2	7	
8a	Taxable interest. Attach Schedule B if required	8a	1,725.
b	Tax-exempt interest. Do not include on line 8a	8b	
9a	Ordinary dividends. Attach Schedule B if required	9a	
b	Qualified dividends	9b	
10	Taxable refunds, credits, or offsets of state and local income taxes	10	
11	Alimony received	11	
12	Business income or (loss). Attach Schedule C or C-EZ	12	
13	Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶ <input type="checkbox"/>	13	
14	Other gains or (losses). Attach Form 4797	14	
15a	IRA distributions	15a	
b	Taxable amount	15b	
16a	Pensions and annuities	16a	
b	Taxable amount	16b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	-789.
18	Farm income or (loss). Attach Schedule F	18	
19	Unemployment compensation	19	
20a	Social security benefits	20a	
b	Taxable amount	20b	
21	Other income. List type and amount	21	
22	Combine the amounts in the far right column for lines 7 through 21. This is your total income ▶	22	936.

Adjusted Gross Income

23	Educator expenses	23	
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24	
25	Health savings account deduction. Attach Form 8889	25	
26	Moving expenses. Attach Form 3903	26	
27	Deductible part of self-employment tax. Attach Schedule SE	27	
28	Self-employed SEP, SIMPLE, and qualified plans	28	
29	Self-employed health insurance deduction	29	
30	Penalty on early withdrawal of savings	30	
31a	Alimony paid b Recipient's SSN ▶	31a	
32	IRA deduction	32	
33	Student loan interest deduction	33	
34	Tuition and fees. Attach Form 8917	34	
35	Domestic production activities deduction. Attach Form 8903	35	
36	Add lines 23 through 35	36	
37	Subtract line 36 from line 22. This is your adjusted gross income ▶	37	936.

Tax and Credits	38	Amount from line 37 (adjusted gross income)	38	936.
	39a	Check <input type="checkbox"/> You were born before January 2, 1949, <input type="checkbox"/> Blind. <input type="checkbox"/> Spouse was born before January 2, 1949, <input type="checkbox"/> Blind. Total boxes checked ▶ 39a <input type="checkbox"/>		
	b	If you or spouse itemizes on a separate return or you were a dual-status alien, check here ▶ 39b <input type="checkbox"/>		
Standard Deduction for—	40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40	73,286.
• People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions.	41	Subtract line 40 from line 38	41	-72,350.
• All others: Single or Married filing separately, \$6,100	42	Exemptions. If line 38 is \$150,000 or less, multiply \$3,900 by the number on line 6d. Otherwise, see instructions	42	3,900.
Married filing jointly or Qualifying widow(er), \$12,200	43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	0.
Head of household, \$8,950	44	Tax (see instructions). Check if any from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972 c <input type="checkbox"/>	44	0.
	45	Alternative minimum tax (see instructions). Attach Form 6251	45	
	46	Add lines 44 and 45	46	0.
	47	Foreign tax credit. Attach Form 1116 if required	47	
	48	Credit for child and dependent care expenses. Attach Form 2441	48	
	49	Education credits from Form 8863, line 19	49	0.
	50	Retirement savings contributions credit. Attach Form 8880	50	
	51	Child tax credit. Attach Schedule 8812, if required	51	
	52	Residential energy credits. Attach Form 5695	52	
	53	Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	53	
	54	Add lines 47 through 53. These are your total credits	54	0.
	55	Subtract line 54 from line 46. If line 54 is more than line 46, enter -0-	55	0.
Other Taxes	56	Self-employment tax. Attach Schedule SE	56	
	57	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	57	
	58	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	58	
	59a	Household employment taxes from Schedule H	59a	
	b	First-time homebuyer credit repayment. Attach Form 5405 if required	59b	
	60	Taxes from: a <input type="checkbox"/> Form 8959 b <input type="checkbox"/> Form 8960 c <input type="checkbox"/> Instructions; enter code(s)	60	
	61	Add lines 55 through 60. This is your total tax	61	0.
Payments	62	Federal income tax withheld from Forms W-2 and 1099	62	
	63	2013 estimated tax payments and amount applied from 2012 return	63	
	64a	Earned income credit (EIC)	64a	
	b	Nontaxable combat pay election 64b		
	65	Additional child tax credit. Attach Schedule 8812	65	
	66	American opportunity credit from Form 8863, line 8	66	1,000.
	67	Reserved	67	
	68	Amount paid with request for extension to file	68	
	69	Excess social security and tier 1 RRTA tax withheld	69	
	70	Credit for federal tax on fuels. Attach Form 4136	70	
	71	Credits from Form: a <input type="checkbox"/> 2439 b <input checked="" type="checkbox"/> Reserved c <input type="checkbox"/> 8885 d <input type="checkbox"/>	71	
	72	Add lines 62, 63, 64a, and 65 through 71. These are your total payments	72	1,000.
Refund	73	If line 72 is more than line 61, subtract line 61 from line 72. This is the amount you overpaid	73	1,000.
	74a	Amount of line 73 you want refunded to you. If Form 8888 is attached, check here ▶ <input type="checkbox"/>	74a	1,000.
Direct deposit? See instructions.	b	Routing number <u>3 2 1 0 8 1 6 6 9</u> ▶ c Type: <input checked="" type="checkbox"/> Checking <input type="checkbox"/> Savings		
	d	Account number <u>8 0 0 0 0 4 7 8 4 1 3</u>		
	75	Amount of line 73 you want applied to your 2014 estimated tax ▶	75	
Amount You Owe	76	Amount you owe. Subtract line 72 from line 61. For details on how to pay, see instructions ▶	76	
	77	Estimated tax penalty (see instructions)	77	

Do you want to allow another person to discuss this return with the IRS (see instructions)? Yes. Complete below. No

Third Party Designee

Designee's name ▶	Phone no. ▶	Personal identification number (PIN) ▶
--------------------------	--------------------	---

Sign Here Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Joint return? See instructions. Keep a copy for your records.	Your signature ▶	Date	Your occupation unemployed	Daytime phone number [REDACTED]
	Spouse's signature. If a joint return, both must sign. ▶	Date	Spouse's occupation	If the IRS sent you an Identity Protection PIN, enter it here (see inst.)

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶	Self-Prepared		Firm's EIN ▶	
Firm's address ▶			Phone no.	

**SCHEDULE A
(Form 1040)**

Itemized Deductions

OMB No. 1545-0074

2013

Attachment
Sequence No. **07**

Department of the Treasury
Internal Revenue Service (99)

Information about Schedule A and its separate instructions is at www.irs.gov/schedulea.

Attach to Form 1040.

Name(s) shown on Form 1040

Your social security number

Louise J Model

Medical and Dental Expenses		Caution. Do not include expenses reimbursed or paid by others.			
1	Medical and dental expenses (see instructions)	1			
2	Enter amount from Form 1040, line 38 <u>2</u>				
3	Multiply line 2 by 10% (.10). But if either you or your spouse was born before January 2, 1949, multiply line 2 by 7.5% (.075) instead	3			
4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-			4	
Taxes You Paid		5 State and local (check only one box):			
a	<input type="checkbox"/> Income taxes, or	5	300.		
b	<input checked="" type="checkbox"/> General sales taxes				
6	Real estate taxes (see instructions)	6	7,851.		
7	Personal property taxes	7	168.		
8	Other taxes. List type and amount ▶	8			
9	Add lines 5 through 8			9	8,319.
Interest You Paid		10 Home mortgage interest and points reported to you on Form 1098		10	64,906.
Note. Your mortgage interest deduction may be limited (see instructions).		11 Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address ▶		11	
		12 Points not reported to you on Form 1098. See instructions for special rules.		12	
		13 Mortgage insurance premiums (see instructions).		13	
		14 Investment interest. Attach Form 4952 if required. (See instructions.)		14	
		15 Add lines 10 through 14		15	64,906.
Gifts to Charity		16 Gifts by cash or check. If you made any gift of \$250 or more, see instructions.		16	
if you made a gift and got a benefit for it, see instructions.		17 Other than by cash or check. If any gift of \$250 or more, see instructions. You must attach Form 8283 if over \$500		17	
		18 Carryover from prior year		18	
		19 Add lines 16 through 18		19	
Casualty and Theft Losses		20 Casualty or theft loss(es). Attach Form 4684. (See instructions.)		20	
Job Expenses and Certain Miscellaneous Deductions		21 Unreimbursed employee expenses—job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See instructions.) ▶		21	
		22 Tax preparation fees		22	80.
		23 Other expenses—investment, safe deposit box, etc. List type and amount ▶		23	
		24 Add lines 21 through 23		24	80.
		25 Enter amount from Form 1040, line 38 <u>25</u>			936.
		26 Multiply line 25 by 2% (.02)		26	19.
		27 Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-		27	61.
Other Miscellaneous Deductions		28 Other—from list in instructions. List type and amount ▶		28	
Total Itemized Deductions		29 Is Form 1040, line 38, over \$150,000?		29	73,286.
		<input checked="" type="checkbox"/> No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40.			
		<input type="checkbox"/> Yes. Your deduction may be limited. See the Itemized Deductions Worksheet in the instructions to figure the amount to enter.			
		30 If you elect to itemize deductions even though they are less than your standard deduction, check here			<input type="checkbox"/>

SCHEDULE B
(Form 1040A or 1040)

Interest and Ordinary Dividends

OMB No. 1545-0074

2013

Attachment
Sequence No. 08

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040A or 1040.

▶ Information about Schedule B (Form 1040A or 1040) and its instructions is at www.irs.gov/scheduleb.

Name(s) shown on return
Louise J Model

Your social security number
[REDACTED]

Part I
Interest

1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see instructions on back and list this interest first. Also, show that buyer's social security number and address ▶

First Republic Bank

Everbank

(See instructions on back and the instructions for Form 1040A, or Form 1040, line 8a.)

Note. If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

2 Add the amounts on line 1
3 Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815
4 Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a ▶

Amount

25.30

1,699.97

1,725.27

1,725.27

Note. If line 4 is over \$1,500, you must complete Part III.

Part II
Ordinary Dividends

5 List name of payer ▶

(See instructions on back and the instructions for Form 1040A, or Form 1040, line 9a.)

Note. If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

6 Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a ▶

Note. If line 6 is over \$1,500, you must complete Part III.

Part III
Foreign Accounts and Trusts

(See instructions on back.)

7a At any time during 2013, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions

If "Yes," are you required to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR), formerly TD F 90-22.1, to report that financial interest or signature authority? See FinCEN Form 114 and its instructions for filing requirements and exceptions to those requirements

b If you are required to file FinCEN Form 114, enter the name of the foreign country where the financial account is located ▶

8 During 2013, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If "Yes," you may have to file Form 3520. See instructions on back

Yes No

X

X

**SCHEDULE E
(Form 1040)**

Supplemental Income and Loss

OMB No. 1545-0074

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.)

2013

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040, 1040NR, or Form 1041.

Attachment
Sequence No. 13

▶ Information about Schedule E and its separate instructions is at www.irs.gov/schedulee.

Name(s) shown on return

Your social security number

Louise J Model

[REDACTED]

Part I **Income or Loss From Rental Real Estate and Royalties** Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

A Did you make any payments in 2013 that would require you to file Form(s) 1099? (see instructions) Yes No
B If "Yes," did you or will you file required Forms 1099? Yes No

1a	Physical address of each property (street, city, state, ZIP code)				
A	3348-3350 scott street san francisco CA 94123				
B					
C					
1b	Type of Property (from list below)	2 For each rental real estate property listed above, report the number of fair rental and personal use days. Check the QJV box only if you meet the requirements to file as a qualified joint venture. See instructions.	Fair Rental Days	Personal Use Days	QJV
A	2		365	0	<input type="checkbox"/>
B					<input type="checkbox"/>
C					<input type="checkbox"/>

Type of Property:

- 1 Single Family Residence
- 2 Multi-Family Residence
- 3 Vacation/Short-Term Rental
- 4 Commercial
- 5 Land
- 6 Royalties
- 7 Self-Rental
- 8 Other (describe)

Income:		Properties:		A	B	C
3	Rents received	3		72,003.		
4	Royalties received	4				
Expenses:						
5	Advertising	5				
6	Auto and travel (see instructions)	6				
7	Cleaning and maintenance	7		264.		
8	Commissions.	8				
9	Insurance	9		1,518.		
10	Legal and other professional fees	10				
11	Management fees	11				
12	Mortgage interest paid to banks, etc. (see instructions)	12		31,969.		
13	Other interest.	13				
14	Repairs.	14		198.		
15	Supplies	15				
16	Taxes	16		15,707.		
17	Utilities	17		1,683.		
18	Depreciation expense or depletion	18		21,453.		
19	Other (list) ▶	19				
20	Total expenses. Add lines 5 through 19	20		72,792.		
21	Subtract line 20 from line 3 (rents) and/or 4 (royalties). If result is a (loss), see instructions to find out if you must file Form 6198	21		-789.		
22	Deductible rental real estate loss after limitation, if any, on Form 8582 (see instructions)	22	(789.)	()
23a	Total of all amounts reported on line 3 for all rental properties	23a		72,003.		
b	Total of all amounts reported on line 4 for all royalty properties	23b				
c	Total of all amounts reported on line 12 for all properties	23c		31,969.		
d	Total of all amounts reported on line 18 for all properties	23d		21,453.		
e	Total of all amounts reported on line 20 for all properties	23e		72,792.		
24	Income. Add positive amounts shown on line 21. Do not include any losses	24				
25	Losses. Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here	25	(789.)		
26	Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2	26		-789.		

ELECTRONIC POSTMARK - CERTIFICATION OF ELECTRONIC FILING

Taxpayer: Louise J Model

Primary SSN: [REDACTED]

Federal Return Submitted: March 24, 2014 03:57 PM PDT

Federal Return Acceptance Date: 03/24/2014

The Intuit Electronic Postmark shows the date and time Intuit received your federal tax return. The Intuit Electronic Postmark documents the filing date of your income tax return, and the electronic postmark information should be kept on file with your tax return and other tax-related documentation.

There are two important aspects of the Intuit Electronic Postmark:

1. THE INTUIT ELECTRONIC POSTMARK.

The electronic postmark shows the date and time Intuit received the federal return, and is deemed the filing date if the date of the electronic postmark is on or before the date prescribed for filing of the federal individual income tax return.

TIMELY FILING:

For your federal return to be considered filed on time, your return must be postmarked on or before midnight April 15, 2014. Intuit's electronic postmark is issued in the Pacific Time (PT) zone. If you are not filing in the PT zone, you will need to add or subtract hours from the Intuit Electronic Postmark time to determine your local postmark time. For example, if you are filing in the Eastern Time (ET) zone and you electronically file your return at 9 AM on April 15, 2014, your Intuit electronic postmark will indicate April 15, 2014, 6 AM. If your federal tax return is rejected, the IRS still considers it filed on time if the electronic postmark is on or before April 15, 2014, and a corrected return is submitted and accepted before April 20, 2014. If your return is submitted after April 20, 2014, a new time stamp is issued to reflect that your return was submitted after the IRS deadline and, consequently, is no longer considered to have been filed on time.

If you request an automatic six-month extension, your return must be electronically postmarked by midnight October 15, 2014. If your federal tax return is rejected, the IRS will still consider it filed on time if the electronic postmark is on or before October 15, 2014, and the corrected return is submitted and accepted by October 20, 2014.

2. THE ACCEPTANCE DATE.

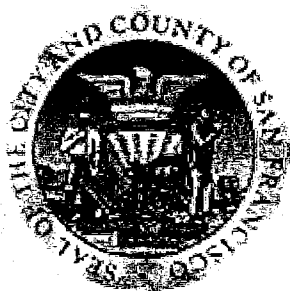
Once the IRS accepts the electronically filed return, the acceptance date will be provided by the Intuit Electronic Filing Center. This date is proof that the IRS accepted the electronically filed return.

From: Storrs, Bruce [Bruce.Storrs@sfdpw.org]
Sent: Friday, June 06, 2014 3:02 PM
To: Lamug, Joy; modellouise@yahoo.com
Cc: Givner, Jon (CAT); Malamut, John (CAT); Lee, Olson (MYR); McCloskey, Benjamin (MYR);
Cheu, Brian (MYR); Nuru, Mohammed (DPW); BOS-Supervisors; BOS-Legislative Aides;
Calvillo, Angela (BOS); Caldeira, Rick (BOS); Carroll, John; Sanguinetti, Jerry (DPW); Hanley,
Robert (DPW); Chan, Cheryl (DPW)
Subject: Appeal of Reduction, Adjustment, or Waiver of Condominium Conversion Fee - 3350 Scott
Street
Attachments: 8170_Memo on 3348-3350 Scott Street_060614.pdf

All

I have attached a brief memo outlining the subdivision (condominium conversion) application that you will be hearing at Tuesday's meeting. If you have any questions regarding this attachment or the project, please do not hesitate to contact me or my office.

Bruce Storrs



Bruce R. Storrs P.L.S.
City and County Surveyor

City and County of San Francisco
Department of Public Works
Bureau of Street-Use and Mapping

bruce.storrs@sfdpw.org
www.sfdpw.org

Main Line: (415) 554-5827
Direct Line: (415) 554.5833
Fax: (415) 554-5324

Summary of PID 8170 – AB 0488A, Lot 044
3348, 3348A, 3350 Scott Street

On April 10, 2014, the Department of Public Works (DPW) received an application for a 3 Unit Condominium Conversion at 3348, 3348A, 3350 Scott Street (Assessor's Block 0488A, Lot 044).

The 3 units consist of 1 owner occupied unit and 2 tenant occupied units.

The owner, Louise Model, has been the sole owner of 3348, 3348A, 3350 Scott Street since July 2002. Louise Model has been an owner occupant since January 2003 at 3350 Scott Street. See attached Grant Deed and Form No. 1.

The Expedited Conversion Program (ECP) fee reductions are based upon lottery participation. The base fee is \$20,000 per unit. For a building that has participated in the condominium conversion lottery for 5 or more years, an 80% fee reduction per unit applies.

Louise Model has participated in the Condominium Conversion Lottery for 7 years [2007-2013].

The ECP fee for 3348, 3348A, 3350 Scott Street is \$12,000.
[\$20,000/unit x (100%-80% ECP fee reduction)] x 3 units = \$12,000

Chronology of Events:

- April 10, 2014 – DPW received application, assigned Project ID No. 8170.
- April 11, 2014 – DPW sent incomplete submittal letter to owner.
- April 17, 2014 – DPW received requested item from owner.
Application deemed submittable (DPW circulated to City Agencies [DCP, HRC, RB])
Sent ECP Invoice for \$12,000 to owner.
- April 21, 2014 – DPW received ECP Fee \$12,000 (check #1815282) from owner.
- April 25, 2014 – Board of Supervisors (BOS) received owner's letter and 2013 Income Tax Return requesting ECP fee waiver.
- May 2, 2014 – BOS emailed letter to applicant & DPW regarding hearing date scheduled for Tuesday, June 24, 2014.
- May 7, 2014 – Department of City Planning (DCP) Approval.
- May 9, 2014 – Tentative Map Approval granted.
- May 29, 2014 – Mayor's Office of Housing requested additional information from DPW for number of property owners.
- May 30, 2014 – DPW responds to Mayor's Office of Housing stating only 1 owner [Louise Model].

RECORDING REQUESTED BY:
Fidelity National Title Company
Invoice No. 528595-AC
Title Order No. 00828595

When Recorded Mail Document
and Tax Statement To:
Ms. Louise J. Model
3359 Scott Street

San Francisco, CA 94124



San Francisco Assessor-Recorder
Doris H. Ward, Assessor-Recorder
DOC- 2002-H268351-00

Book 11-FIDELITY NATIONAL Title Company
Tuesday, JUL 23, 2002 14:28:00
TTL \$412,647.50 Net-00194891
REEL I185 IMAGE 0589
#J1/JL/1-2

APN: Lot 44, Block 488-A 3348-50 Scott

GRANT DEED

SPACE ABOVE THIS LINE FOR RECORDER'S USE

The undersigned grantor(s) declare(s)
Documentary transfer tax is \$12,637.50

- computed on full value of property conveyed, or
- computed on full value less value of liens or encumbrances remaining at time of sale,
- Unincorporated Area City of San Francisco

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, William C. Hellendak and Suzanne Dumont, Husband and Wife

hereby GRANT(S) to Louise J. Model, An Unmarried Woman

the following described real property in the City of San Francisco
County of San Francisco, State of California:
SEE EXHIBIT ONE ATTACHED HERETO AND MADE A PART HEREOF

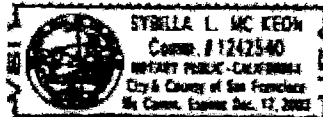
DATED: July 16, 2002

STATE OF CALIFORNIA
COUNTY OF SAN FRANCISCO
ON JULY 17, 2002 before me,
SYBILLA L. MC KEON personally appeared
WILLIAM C. HELLENDACK & SUZANNE DUMONT

William C. Hellendak
William C. Hellendak
Suzanne R. Dumont
Suzanne Dumont

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal.
Signature Sybilla L. McKeon



MAIL TAX STATEMENTS AS DIRECTED ABOVE

FD-213 (Rev. 7/98)

GRANT DEED

Recorder No. 815525-AC
Title Order No. 00525255

H208381

EXHIBIT ONE

BEGINNING at a point on the Easterly line of Scott Street, distant thereon 200.12 feet Northerly from the Northeastly corner of Scott and Chestnut Streets; running thence Northerly, along the Easterly line of Scott Street, 25 feet; thence at a right angle Easterly 100 feet; thence at a right angle Southerly 25 feet; thence at a right angle Westerly 100 feet to the point of beginning.

BEING a portion of "Marine Gardens", as shown on the map thereof filed, November 13, 1918, in Book "H" of Maps, at pages 104 to 108, inclusive, in the office of the Recorder of the City and County of San Francisco, State of California.

F. Expedited Conversion Program - FORMS

Form No. 1

Building History, Statement of Repairs & Improvements,
Occupants, Rental History, and Proposed Prices

Assessor's Block 0488A Lot 044 Address 334F-3350 South Street

Item No. 6 - Building History

The building was built in 1924 and has strictly been used for residential use to the best of my knowledge.

Item No. 7 - Statement of Repairs & Improvements

NONE

Item No. 8 - List of occupants, their apartment number, vacant units, and owners and tenants who intend to purchase

LIFETIME LEASE ACCEPTED

Unit	Occupant Name	Apartment Number	Is the unit vacant?	Does occupant intend to purchase unit?
One	KEVIN & MICHELLE FOSTER	3348	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Two	AMEE THOMAS	3348A	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Three	LOUIE MOSEL	3350	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Four			<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Five			<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Six			<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

Total # of vacant units: _____

Item No. 9 - Five-year Occupancy History (include all building occupants)

Five Year Occupancy History

Apartment No.	Duration (mm/dd/yy)	Occupants	Rent	Reason for Termination/Leaving
3348A	1/2007 - Present	AMEE THOMAS	\$2185	current occupant
3348	3/2012 - Present	KEVIN & MICHELLE FOSTER	\$3924	current occupant
3348	12/2012 - 2/2012	LUIS COSTA	\$3500	MOVED BACK TO SWITZERLAND
3348	10/2010 - 12/2010	SCOTT FOSTER	\$3500	WILL BE BY NON-PAYMENT OF RENT
3348	5/2004 - 9/2010	JAMES SOCHIN	\$3665	Bought a house
3350	1/2003 - Present	LOUIE MOSEL / APPLICANT	0	owner / occupant

Are there any evictions associated with this building since May 1, 2005 (Sec. 1396.2, 1396.4(10))

Yes No If yes provide details:


Eviction for non-payment of rent during 9 week TENANT
 Scott Potter 10/2010 - 12/16/2010

Item No. 10 - List of number of bedrooms, square feet, current rental rate, and proposed sales prices

Apartment No.	No. of Bedrooms	Square Feet	Current Rental Rate	Proposed Sales Price
3348	2	1500	3924.-	1,200,000
3348A	0	600	2115	1,000,000
3350	2	1600	0	1,300,000

Item No. 11 - List the permit number(s) of the building permit application filed in connection with the proposed use of this property that is/are not listed in the 3R Report in the space below

N/A # _____ # _____
 # _____ # _____ # _____


 Signature of Applicant

12/26/2013
 Date

From: McCloskey, Benjamin (MYR)
Sent: Thursday, June 05, 2014 4:29 PM
To: modellouise@yahoo.com; BOS-Legislative Aides; Calvillo, Angela (BOS); BOS Legislation (BOS); BOS-Supervisors
Cc: Givner, Jon (CAT); Malamut, John (CAT); Lee, Olson (MYR); Buckley, Jeff (MYR); Storrs, Bruce (DPW); Caldeira, Rick (BOS); Carroll, John (BOS); Hayward, Sophie (MYR); Lamug, Joy
Subject: RE: Appeal of Reduction, Adjustment, or Waiver of Condominium Conversion Fee - 3350 Scott Street
Attachments: MOHCD response to condo fee appeal 062414.pdf

Ms. Calvillo, Honorable Members of the Board of Supervisors, and Ms. Model:

Attached please find MOHCD's recommendation memo related to the below appeal.

Thank you,
Benjamin McCloskey

Benjamin McCloskey
Chief Financial Officer
Mayor's Office of Housing and Community Development
1 South Van Ness, 5th Floor
San Francisco, CA 94103
tel: 415.701.5575 fax: 415.701.5501
benjamin.mccloskey@sfgov.org

From: Lamug, Joy
Sent: Friday, May 02, 2014 2:56 PM
To: modellouise@yahoo.com
Cc: Givner, Jon (CAT); Malamut, John (CAT); Lee, Olson (MYR); McCloskey, Benjamin (MYR); Cheu, Brian (MYR); Nuru, Mohammed (DPW); Storrs, Bruce (DPW); BOS-Supervisors; BOS-Legislative Aides; Calvillo, Angela (BOS); Caldeira, Rick (BOS); Carroll, John (BOS)
Subject: Appeal of Reduction, Adjustment, or Waiver of Condominium Conversion Fee - 3350 Scott Street

Dear Ms. Model:

The Office of the Clerk of the Board is in receipt of an appeal (copy attached) filed on April 25, 2014, for a Reduction, Adjustment, or Waiver of Condominium Conversion Fees for a property located at 3350 Scott Street.

In accordance with Subdivision Code, Section 1396.4(j), the appellant bears the burden of presenting substantial evidence to support the appeal, including comparable technical information to support the appellant's position. For this purpose, appellants are encouraged to review the City's technical report entitled "Condominium Conversion Nexus Analysis," dated January 2011, and other related documents, which are on file with the Clerk of the Board in File No. 120669 (Ordinance No. 117-13), and available on our website at the following link:

<http://sfgov.legistar.com/LegislationDetail.aspx?ID=1139030&GUID=DDAF577C-F534-42F0-8EC8-EAB8570A4FD5&Options=ID|Text|&Search=120669>

A hearing date has been scheduled on **Tuesday, June 24, 2014, at 3:00 p.m.**, at the Board of Supervisors meeting to be held in City Hall, Legislative Chamber, Room 250, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

Please provide to the Clerk's office by:

- 8 days prior to the hearing:** any documentation which you may want available to the Board members prior to the hearing;
- 11 days prior to the hearing:** names and addresses of interested parties to be notified of the hearing in label format.

For the above, the Clerk's office requests one electronic file (sent to bos.legislation@sfgov.org) and one hard copy of the documentation for distribution, and, if possible, names and addresses of interested parties to be notified in label format. NOTE: If an electronic version of the documentation is not available, please submit 18 hard copies of the documentation to the Clerk's Office for distribution. If documents are received after the deadlines prescribed above, it is your responsibility to ensure that all parties have received copies of such materials.

If you have any questions, please feel free to contact Legislative Deputy Director, Rick Caldeira, at (415) 554-7711 or Legislative Clerks Joy Lamug and John Carroll at (415) 554-7712 and (415) 554-4445, respectively.

Joy Lamug
Legislative Clerk
Board of Supervisors
1 Dr. Carlton B. Goodlett Place, City Hall, Room 244
San Francisco, CA 94102
Direct: (415) 554-7712 | Fax: (415) 554-5163
Email: joy.lamug@sfgov.org
Web: www.sfbos.org

Please complete a Board of Supervisors Customer Service Satisfaction form by clicking [here](#).

The Legislative Research Center provides 24-hour access to Board of Supervisors legislation, and archived matters since August 1998.

Disclosures: Personal information that is provided in communications to the Board of Supervisors is subject to disclosure under the California Public Records Act and the San Francisco Sunshine Ordinance. Personal information provided will not be redacted. Members of the public are not required to provide personal identifying information when they communicate with the Board of Supervisors and its committees. All written or oral communications that members of the public submit to the Clerk's Office regarding pending legislation or hearings will be made available to all members of the public for inspection and copying. The Clerk's Office does not redact any information from these submissions. This means that personal information—including names, phone numbers, addresses and similar information that a member of the public elects to submit to the Board and its committees—may appear on the Board of Supervisors' website or in other public documents that members of the public may inspect or copy.

Mayor's Office of Housing and Community Development
City and County of San Francisco



Edwin M. Lee
Mayor

Olson Lee
Director

TO: Angela Calvillo, Clerk of the Board of Supervisors and Honorable Members of the Board of Supervisors

FROM: Benjamin McCloskey, Chief Financial Officer, Mayor's Office of Housing and Community Development

CC: Louise Model, Appellant,
Property Owner of 3348-3350 Scott Street

SUBJECT: Appeal Requesting Reduction, Adjustment or Waiver of Condominium Conversion Fee for a Property Located at 3348-3350 Scott Street

RECOMMENDATION: Denial of appeal

DATE: June 5, 2014

On June 18, 2013, the Board of Supervisors passed Ordinance No. 117-13 amending the City's Subdivision Code to create an expedited and reliable option for tenancy-in-common (TIC) owners and other property owners to convert their TICs or buildings in to condominiums. By paying a one-time fee to the City, these owners could bypass the annual condominium conversion lottery and receive subdivision map approval as required for a condominium unit. As part of the law's legislative findings, the Board relied on a 2011 economic nexus study that demonstrated and quantified the impact of condominium conversion on the demand for affordable housing in San Francisco and the cost of mitigating the impact. The ordinance set the condominium conversion fee at \$20,000 per unit—below the fee level justified in the nexus study—and further reduced the fee for TIC owners based on the number of years of participation in the annual lottery. Fee revenue to the City is designated for the development of new affordable housing units for low- to moderate-income individuals and families.

This memo summarizes key findings of the nexus study, describes the law's requirements for granting an appeal, and analyzes the request for a fee waiver from Louise Model, the sole property owner of a three-unit building at 3348-3350 Scott Street. The law's standard for granting the appeal requires the appellant to successfully challenge the economic analysis in the nexus study. A hardship exemption is not an allowable reason to grant an appeal. Based on an analysis of this case, the Mayor's Office of Housing and Community

Development (MOHCD) contends that the economic nexus study justifies the payment of this fee, already reduced to \$4,000 per unit in this case, and that the appellant has not met the standard for a successful appeal. As such, MOHCD recommends that the Board of Supervisors deny this appeal.

Background

Prior to the law's enactment, the City and County of San Francisco limited the number of rental or TIC units that could be converted to condominiums to 200 per year, in order to preserve affordable rental units in the City. Through a lottery process, TIC owners and other property owners could apply to receive approval for a condominium conversion subdivision map, the first step in a two-step process for creating a condominium unit in San Francisco. Condominium conversion is an option for owners in buildings with two to six units, under certain conditions. TICs are owned jointly as entire buildings in percentage shares. In contrast, a condominium is owned as a separate, divided legal real estate interest from the other condominium units in a building, and each individual condominium owner may separately sell, lease, or finance his or her condominium unit. TIC ownership can be more complex and risky due to this joint-ownership relationship. TIC owners may buy and sell shares equivalent to a single unit but that does not mean they own their unit outright with the ability to separately sell or finance the unit. Because of this risk, mortgage financing and transaction costs are significantly higher for TIC ownership share than condominium ownership. The benefits of condominium conversion include a more advantageous form of title and ownership and better mortgage loan terms that reduce homeownership costs and help owners remain in their homes. As such, there is a demonstrable financial incentive to convert jointly-owned, multi-unit property to individually owned condominiums.

Given pent up demand to convert to condominium and a backlog of approximately 2,000 units waiting to convert, the City began considering an alternative to its condominium lottery process. The City commissioned a 2011 nexus study to evaluate the economic impacts to the City of condominium conversion and whether those impacts justified an impact fee, similar to other development impact fees that mitigate the City's costs to provide additional affordable housing, such as the Jobs Housing Linkage Fee and inclusionary housing fees.

The 2011 nexus study conducted by Keyser Marston Associates (KMA)¹ determined that the conversion of a TIC or rental unit to a condominium would result in a net increase in household income in San Francisco, through the replacement of a TIC owner with a higher income condominium purchaser. Given the higher income of condominium purchasers, the condominium owner would have higher consumer spending and increased demands for goods and services such as banking and retail services, leading to increased job creation. Among the jobs created would be additional low- and moderate-income jobs. The workforce performing these additional lower income jobs create a greater demand for affordable housing, as these households cannot afford market-rate housing in San Francisco. The cost to the City to subsidize this increased need for additional affordable housing creates the nexus between the condominium conversion and justification for a conversion fee.

As part of the legislative findings for Ordinance No. 117-13, the Board determined that based on evidence presented in the nexus study, there is a reasonable relationship to the subdivision applicants' burdens on the City that result from the change in use and ownership

¹ *Condominium Conversion Nexus Analysis, San Francisco, Keyser Marston Associates, January 2011*

status from a dwelling unit within an unsubdivided property to a separate interest in a condominium unit.²

Basis for an Appeal

In an April 18, 2014 letter to the City, Ms. Model requests a waiver or reduction of the condominium conversion fee, based on financial need. The request does not make any claims regarding the applicability of the nexus study on which the fee was based. The KMA nexus study was not based on a household having the ability to pay a fee, but rather that the TIC unit(s) would be sold, at some point, to a higher income household, creating the need to offset costs to the City from the impacts of the actual conversion. In the future, either the appellant or her estate will sell the three units to condominium purchasers, rather than separate TIC purchasers. That economic transaction creates the need for the impact fee, whether it occurs immediately or sometime in the future.

Acknowledging this reality, the Board decided to require fee payment at the time of application for the condominium conversion subdivision (when the TIC owner initiates the subdivision approval process that will result in the owner's benefit), rather than at another point in time, such as paying the fee at the sale of the condominium unit. While it is accurate that the nexus study focused on the converted condominium unit being purchased by a new buyer at some time, the study acknowledges that the units may not necessarily be purchased immediately.³

In an opinion letter provided for the October 29, 2013 condominium conversion fee appeal, the Office of the Controller stated that "while the nexus study did assume, for analytical purposes, that the condominium was sold upon conversion, in our opinion, neither the existence nor the level of nexus materially hinges upon this assumption."⁴

² Section 1(b) of Board Ordinance No. 117-13 (Subdivision Code – Condominium Conversion Fee) provides: "This Board finds that the condominium conversion fee as set forth in this legislation is an appropriate charge imposed as a condition of property development, which in this case is the City's approval of a condominium conversion subdivision, a discretionary development approval pursuant to the San Francisco Subdivision Code and the California Subdivision Map Act. Based on data, information, and analysis in a Condominium Conversion Nexus Analysis report prepared by Keyser Marston Associates, Inc., dated January 2011, and the findings of Planning Code Section 415.1 concerning the City's inclusionary affordable housing program, this Board finds and determines that there is ample evidentiary support to charge the fee set forth herein as it relates to a subdivision map approval that allows the conversion of existing dwelling units into condominiums. Said charge also is lower than the fee amount supported in the abovementioned Nexus Analysis report. As a consequence the Board finds that the amount of this charge is no more than necessary to cover the reasonable costs of the governmental activity and programs related to condominium conversion. The Board further finds and determines, that based on this evidence, the manner in which this charge is allocated and assessed on a per unit cost for each unit converted to a condominium bears a reasonable relationship to the subdivision applicants' burdens on the City that result from the change in use and ownership status from a dwelling unit within an unsubdivided property to a separate interest in a condominium unit."

³ The nexus study states: "The analysis assumes that the unit is sold upon conversion. Some existing owners will stay in the unit. Some of those who stay will refinance based on more favorable lending terms and higher unit value. **In any case, the conversion of the unit generates an increase in unit value and ultimately, a higher income occupant.**" (Highlight added.)

⁴ *Opinion Regarding an Appeal of a Reduction, Adjustment or Waiver of Condominium Conversion Fee for a Property Located at 489 Sanchez Street*, October 28, 2013, memorandum from the Office of the Controller to the Mayor's Office of Housing and Community Development.

The Office of the Controller opinion letter goes on to say, "at some point in the future, the condominium will be vacated and sold, at a price that is reasonably likely to be higher than it would have been, and will be occupied by a household that is reasonably likely to have a higher income than would have been the case, in the absence of conversion. In this respect, the impact of a future sale is similar to a current sale."

Although the Office of the Controller opinion letter does not address the specifics of the appeal for property located at 3348-3350 Scott Street, the conclusions are equally sound for use in this appeal.

Additionally, there are tangible financial advantages to the existing TIC owner who becomes a condominium owner. The KMA study quantified the gain of condominium conversion at 15 percent, or an estimated \$45,000 to \$75,000 gain after deducting standard City administrative fees. Property owners gain from the fact that financing costs are significantly lower for higher valued condominiums than TIC units (a 4.75% interest rate for TIC loans compared to 2.25% for condominium home loan at the time of the KMA study).

Ms. Model will reap immediate financial benefits through conversion of her three-unit building to condominiums. After condominium conversion, the appellant could likely refinance an existing mortgage loan at a lower interest rate, thereby leaving more discretionary income for other uses. Ms. Model may also have the ability to obtain an individual home equity loan to enhance her current living conditions. Additionally, Ms. Model could sell two of the three units which are not owner-occupied. This increase in value and opportunity to refinance any existing mortgage or sell one or more units would allow the owner to finance the condo conversion costs, including the conversion fee. Obtaining and using such additional discretionary income in the local economy can have similar economic impacts on the City as those analyzed in the nexus study for new condominium purchasers.

Applicability of Ordinance 65-14

On April 29, 2014, the Board passed Ordinance 65-14, which was further signed by the Mayor on May 8, 2014. Among other changes to Subdivision Code Sec. 1396.4, this Ordinance directs the Clerk of the Board of Supervisors to review fee appeals prior to scheduling a hearing. Ordinance 65-14 will apply to all fee appeals filed with the Clerk on or after June 9, 2014 and does not eliminate the need to hear the existing appeal.

Existing Fee Relief

Additionally, the Board set the fee at \$20,000 per unit, lower than the maximum mitigation cost of \$21,600 to \$34,900 supported by the KMA nexus analysis. The fee level also decreases from \$20,000, to as low as \$4,000 per unit, depending on the number of years the TIC has participated in the lottery. In the case of Ms. Model, the fee is calculated at \$4,000 per unit or \$12,000 for the 3-unit property.

Law Does Not Allow for Hardship Waiver

The only basis of this appeal is financial hardship. However, the legislation does not allow for a waiver based on financial hardship, and granting the waiver based on this rationale is problematic. Under the Subdivision Code requirements, the appellant needs to demonstrate that there is an "absence of any reasonable relationship or nexus between the impact of development and the amount of fee." The appellant bears "the burden of presenting substantial

evidence to support the appeal, including comparable technical information to support the appellant's position." The legislation provided an appeal process to allow a challenge to the impact fee analysis itself. For the Board to waive, reduce, or adjust the fee, the appellant must demonstrate that the economic nexus is somehow faulty.

Ms. Model's appeal does not meet this definition. Ms. Model has not provided any economic or technical analysis to dispute the basic findings of the nexus study. Her appeal has not demonstrated that the nexus between condominium conversion and the need for additional affordable housing does not exist in this case.

Fee Deferral Process

The law does allow for a TIC owner to request a fee deferral based on demonstrated economic hardship. Applicants demonstrating income for the last 12 months at less than 120 percent of area median income (AMI) can request a fee deferral while the Department of Public Works' (DPW) completes its application review.

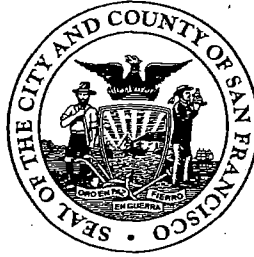
Recommendation

While the appellant's circumstances may be sympathetic, her case does not meet the standard for appeal stated in the law. Given that the property owner has not presented substantial evidence and technical analysis to dispute the City's nexus study, the Board should reject this appeal. The Board has already provided fee relief by: a) setting the fee level below the maximum fee levels justified by the nexus study and 2) reducing the fee to credit the TIC owners based on number of years in the lottery. Based on a \$4,000 per-unit fee, Ms. Model is already receiving a \$48,000 fee reduction for her three-unit building. As the sole owner of the building, 100% of this fee reduction directly benefits the appellant.

The legislation did not establish a fee waiver or reduction based solely on financial hardship. As such, there is no objective criteria upon which the Board can make such a determination. If the Board waives or reduces the fee based on this claim, it likely would create a precedent for any other applicant who is on a fixed income. Such a result could significantly jeopardize the amount of affordable housing fees available to the City that the Board specifically determined were needed to offset the economic impact on the City from condominium conversion.

The Mayor's Office of Housing and Community Development stands behind the Board's decision to offset the impact of additional market-rate condominiums to impose this fee. Based on the rationale presented, the appeal does not meet the threshold for a fee waiver. As such, MOHCD recommends that the Board deny this appeal.

BOARD of SUPERVISORS



City Hall
1. Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 544-5227

May 2, 2014

Louise Model
3350 Scott Street
San Francisco, CA 94123

**Subject: Appeal of Reduction, Adjustment, or Waiver of Condominium Conversion Fee
for a Property Located at 3350 Scott Street**

Dear Ms. Model:

The Office of the Clerk of the Board is in receipt of an appeal (copy attached) filed on April 25, 2014, for a Reduction, Adjustment, or Waiver of Condominium Conversion Fees for a property located at 3350 Scott Street.

In accordance with Subdivision Code, Section 1396.4(j), the appellant bears the burden of presenting substantial evidence to support the appeal, including comparable technical information to support the appellant's position. For this purpose, appellants are encouraged to review the City's technical report entitled "Condominium Conversion Nexus Analysis," dated January 2011, and other related documents, which are on file with the Clerk of the Board in File No. 120669 (Ordinance No. 117-13), and available on our website at the following link:

<http://sfgov.legistar.com/LegislationDetail.aspx?ID=1139030&GUID=DDAF577C-F534-42F0-8EC8-EAB8570A4FD5&Options=ID|Text|&Search=120669>

A hearing date has been scheduled on **Tuesday, June 24, 2014, at 3:00 p.m.**, at the Board of Supervisors meeting to be held in City Hall, Legislative Chamber, Room 250, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

Please provide to the Clerk's office by:

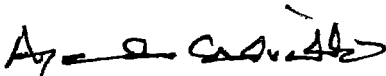
- 8 days prior to the hearing:** any documentation which you may want available to the Board members prior to the hearing;
- 11 days prior to the hearing:** names and addresses of interested parties to be notified of the hearing in label format.

For the above, the Clerk's office requests one electronic file (sent to bos.legislation@sfgov.org) and one hard copy of the documentation for distribution, and, if possible, names and addresses of interested parties to be notified in label format. NOTE: If an electronic version of the documentation is not available, please submit 18 hard copies of the documentation to the Clerk's Office for distribution. If documents are received after the deadlines prescribed above, it is your responsibility to ensure that all parties have received copies of such materials.

Louise Model
Condo Conversion Fee Appeal
May 2, 2014
Page 2

If you have any questions, please feel free to contact Legislative Deputy Director, Rick Caldeira, at (415) 554-7711 or Legislative Clerks Joy Lamug and John Carroll at (415) 554-7712 and (415) 554-4445, respectively.

Sincerely,



Angela Calvillo
Clerk of the Board

c:
Jon Givner, Deputy City Attorney
John Malamut, Deputy City Attorney
Olson Lee, Director, Mayor's Office of Housing and Community Development
Benjamin McCloskey, Mayor's Office of Housing and Community Development
Brian Cheu, Mayor's Office of Housing and Community Development
Mohammed Nuru, Director, Department of Public Works
Bruce Storrs, Surveyor, Department of Public Works



NOTICE OF PUBLIC HEARING

BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO

NOTICE IS HEREBY GIVEN THAT the Board of Supervisors of the City and County of San Francisco will hold a public hearing to consider the following proposal and said public hearing will be held as follows, at which time all interested parties may attend and be heard:

Date: Tuesday, June 24, 2014

Time: 3:00 p.m.

Location: Legislative Chamber, Room 250, located at City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102

Subject: File No. 140469. Hearing of persons interested in or objecting to the application of the condominium conversion fee per Subdivision Code, Section 1396.4(j), for a property located at 3348-3350 Scott Street, Assessor's Block No. 0488A, Lot No. 044. (District 2) (Appellant: Louise Model) (Filed April 25, 2014).

If you challenge, in court, the fee described above, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Board of Supervisors at, or prior to, the public hearing.

In accordance with Administrative Code, Section 67.7-1, persons who are unable to attend the hearing on these matters may submit written comments to the City prior to the time the hearing begins. These comments will be made part of the official public record in these matters, and shall be brought to the attention of the Board of Supervisors. Written comments should be addressed to Angela Calvillo, Clerk of the Board, Room 244, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102. Information relating to this matter is available in the Office of the Clerk of the Board and agenda information will be available for public review on Friday, June 20, 2014.

A handwritten signature in black ink, appearing to read "Angela Calvillo".

Angela Calvillo, Clerk of the Board

DATED: June 13, 2014
MAILED/POSTED: June 14, 2014

Introduction Form

By a Member of the Board of Supervisors or the Mayor

Time stamp
or meeting date

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion, or Charter Amendment)
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning "Supervisor [] inquires"
- 5. City Attorney request.
- 6. Call File No. [] from Committee.
- 7. Budget Analyst request (attach written motion).
- 8. Substitute Legislation File No. []
- 9. Reactivate File No. []
- 10. Question(s) submitted for Mayoral Appearance before the BOS on []

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission Youth Commission Ethics Commission
- Planning Commission Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use a Imperative Form.

Sponsor(s):

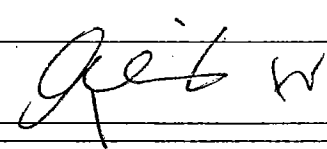
Clerk of the Board

Subject:

Public Hearing - Appeal of Application of Condominium Conversion Fee - 3348-3350 Scott Street

The text is listed below or attached:

Hearing of persons interested in or objecting to the application of the condominium conversion fee per Subdivision Code, Section 1396.4(j), for a property located at 3348-3350 Scott Street, Assessor's Block No. 0488A, Lot No. 044. (District 2) (Appellant: Louise Model) (Filed April 25, 2014).

Signature of Sponsoring Supervisor: 

For Clerk's Use Only:

