

File No. 130850

Committee Item No. _____

Board Item No. 45

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee _____

Date _____

Board of Supervisors Meeting

Date October 29, 2013

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 Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Analyst Report |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Introduction Form (for hearings) |
| <input type="checkbox"/> | <input checked="" 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"/> | 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)

- Appeal of Application of Condominium Conversion Fee – 489
Sanchez Street
- Mayor's Office of Housing and Community Development's
Response
- _____

Completed by: Joy Lamug

Date October 24, 2013

Completed by: _____

Date _____

An asterisked item represents the cover sheet to a document that exceeds 20 pages. The complete document is in the file.

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

September 9, 2013

Mohammed Nuru, Director
Department of Public Works
City Hall, Room 348
San Francisco, CA 94102

**Subject: Appeal of Reduction, Adjustment, or Waiver of Condominium Conversion Fee
for a Property Located at 489 Sanchez Street**

Dear Director Nuru:

The Office of the Clerk of the Board is in receipt of an appeal (copy attached) filed by Cristina Carrasquillo on September 5, 2013, of a Reduction, Adjustment, or Waiver of Condominium Conversion Fee for a property located at 489 Sanchez Street only, which is part of a Tenancy in Common that includes 485 and 487 Sanchez 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>

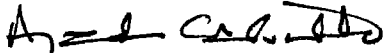
A hearing date has been scheduled on **Tuesday, October 29, 2013, at 3:00 p.m.**, at the Board of Supervisors meeting to be held in City Hall, Legislative Chamber, Room 250, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

Please provide 1 electronic copy (sent to BOS.Legislation@sfgov.org) and 18 hard copies to the Clerk's Office in City Hall, Room 244 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.

If you have any questions, please feel free to contact Legislative Deputy Director, Rick Caldeira, at (415) 554-7711 or Legislation Clerk, Joy Lamug, at (415) 554-7712.

Sincerely,



Angela Calvillo
Clerk of the Board

c:

Appellant, Cristina Carrasquillo, 489 Sanchez Street, San Francisco, CA 94114
Jon Givner, Deputy City Attorney
Kate Stacy, Deputy City Attorney
Marlena Byrne, Deputy City Attorney
John Malamut, Deputy City Attorney
Fuad Sweiss, City Engineer, Department of Public Works
Jerry Sanguinetti, Manager, Department of Public Works-Bureau of Street Use and Mapping
Bruce Storrs, Surveyor, Department of Public Works
Javier Rivera, Department of Public Works

September 5th, 2013

Cristina Carrasquillo
489 Sanchez Street
San Francisco, CA 94114
(415) 235-1098 – carrascris@gmail.com

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2013 SEP - 5 AM 10:47
[Handwritten signature]

To the San Francisco Board of Supervisors;

My name is Cristina Carrasquillo. This letter is to file an appeal of waiver of the Condominium Conversion Fee, per Subdivision Code 1396.4 (j), for my unit at **489 Sanchez** only, which is part of a TIC that includes 485 & 487 Sanchez. This impact fee, already paid, is \$8,000 for my unit. I request this fee be returned to me for the reasons listed below.

I am a 37 year old quadriplegic woman and I qualify for social security disability due to my low income. I own the apartment I live in as part of a TIC, which I pay for by sharing it with friends and with help from my mother. My mother is also in the title of my unit (though she lives in Puerto Rico), as this was the only way that I was able to buy an apartment in the city in a relatively affordable manner and the only way that others would join me in a mortgage as part of a TIC, by having my mother as the guarantor. Due to my medical circumstances, my credit score on its own would not suffice and I had to have my mother included in order to be able to purchase the home. Twenty years ago, I suffered from a bad accident that put me in a wheelchair. As a result of a court settlement related to the accident, I received, a modest amount of money, which I used to put down as a downpayment towards my unit. It took me 3 years struggling to find a wheelchair accessible (no stairs—not easy to find in San Francisco) apartment. I was also working full time when I bought the apartment and was able to pay most of the mortgage without much help. Two years after I purchased the apartment, however, I suffered a cardiac arrest due to a pneumonia. My health increasingly weakened and the doctor recommended I should not work full time again.

I receive \$782.90 a month from Social Security Disability Income (SSDI) due to my disability and my low income. I have recently started working from home again, but only 10 hours a week at \$14 (which is \$7,280). I, also, receive government assistance in the form of helpers through In Home Supportive Services (IHSS.) They assist me in getting me off the bed to start the day and cooking and cleaning for me.

I cannot afford an attorney to assist me with this appeal, but the legal basis of it is based on Ordinance No: 117-13 (File 120669), section j, pages 17-18, Subdivision Code 1396.4(j). It states that one can waive the fee requirement “based upon the absence of any reasonable relationship or nexus between the impact of development and the amount of the fee charged.” The appellant is encouraged to review the City’s

technical report titled "Condominium Conversion Nexus Analysis," dated January 2011. This nexus analysis demonstrates and quantifies the impact of conversion on affordable housing needs in the city and the cost of mitigating that impact. In my case, the future is now, and I'm in need of affordable housing now. Making me pay \$8,000 for the impact fee to mitigate the economic impact on someone else in the future doesn't make sense.

Per the Nexus document: "The underlying nexus concept is that condominium purchasers have higher incomes than do TIC purchasers. The higher the income of the household, the higher the consumption of goods and services, resulting in a higher level of job generation. A portion of these jobs are at low compensation levels, which results in lower income households that need affordable housing." The nexus document, on page 42, says that the analysis demonstrates "that there is a reasonable relationship between the fee's use, which is to fund the creation of additional affordable housing, and the development projects on which the fee is imposed." I am receiving Social Security Disability Income and earn about \$7,280 a year. To have a person in my circumstances pay fees for future affordable housing needs when I am, indeed, one person in need of affordable housing.

"To calculate the nexus, the KMA analysis quantifies the impact on affordable housing needs resulting from the difference in income level between a renter household and a condominium household." The nexus assumes a renter income of \$80,000 and a condo purchaser with an income of \$140,000 with a supposed increase of income value of \$60,000. The nexus doesn't take into account a current quadriplegic owner trying very hard not to lose her wheelchair accessible apartment living, dependent on government assistance, an average salary of \$7,280, and unable to work a 40 hour week due to medical issues. I am an owner that can only stay in my house by counting on the money provided by the two friends I share my unit with. Any future mitigating impact on affordable housing my \$8,000 could provide has a serious impact in my current circumstances.

Also, the nexus document says that, "some TIC owners will not have the resources available upfront to finance the cost of converting even if it makes financial sense to do so. The owners who decide not to pay the fee or cannot afford to pay the fee will benefit from improved odds in the lottery due to the fact that some current lottery participants will choose to pay the impact fee instead." This is patently untrue, as the new law suspends the lottery for ten years. Due to the type of mortgages we're tied to as a TIC, this is not feasible in reality.

The nexus analysis also "assumes that the unit is sold upon conversion." This is the wrong assumption in my case. It was extremely hard for me to be able to find a house that was without steps (wheelchair accessible) that I could afford, as well as finding others that were willing to join me in a tic.

This is my home and I intend to stay put. The nexus is justifying the fee in anticipation of the "higher income occupant" that would be to come upon sale of the unit, but it fails to take into account, that in my case I am a very low income occupant with a severe and permanent disability trying hard to be able to stay in my home.

For the reasons described, I request that you return the \$8,000 fee. On the following page, I list the documents I attach to this appeal and describe the intent of those documents.

Sincerely,
Cristina Carrasquillo

Carrasquillo
09/05/2013



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

Phone: (415) 554-5827
Fax: (415) 554-5324
www.sfdpw.org
Subdivision.Mapping@sfdpw.org

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

RECEIVED
13 SEP -5 AM 10:18

Sirkin and Associates
388 Market Street, suite 1300
San Francisco, CA 94111

EXPEDITED CONVERSION PROGRAM INVOICE

Payment due upon receipt
Friday, August 23, 2013

Project Information

PID: 7770
Assessor's Block 3580
Lot 026
Address: 485 - 489 SANCHEZ ST

Amount Due
\$24,000.00

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
4	3	\$8,000.00	\$24,000.00



Cashier's Check

No. 002992410

Notice to Purchaser: In the event this check is lost, misplaced or stolen, it stops payment and 90-day waiting period will be in effect prior to replacement. This check should be registered within 90 days.

Banking Center
MARKET VAN ARKS

Date: SEPTEMBER 05, 2013

98-1701321
NAZ

0000299 00008 0002992410

405-409 SANCHEZ HOA
Rebilled (Purchased By)

\$ **24000.00**

05-14-3774B 02-2012
Pay**PAYEE** FOUR THOUSAND DOLLARS AND 00 CENTS**
To The Order Of

DEPARTMENT OF PUBLIC WORKS RCP
BLOCK 3580 LOT 026

Bank of America, N.A.
Phoenix, AZ

Authorized Signature

COPIES CAPTURED ANTI-FRAUD PROTECTION

THE ORIGINAL DOCUMENT HAS REFLECTIVE WATERMARK ON THE BACK THE ORIGINAL DOCUMENT HAS REFLECTIVE WATERMARK ON THE BACK

Documents attached to support Cristina Carrasquillo's Appeal.

1: Photos of Cristina in Wheelchair with explanation of Quadraplegic.

2: California ID.

3: Cristina's Social Security Disability Income (SSDI) proof.

4: Proof of Cristina's In-Home Support Services

5: Proof of current employment and payment

6: Copy of Co-ownership Shared Debt Deed of Trust recorded with the city. This was the deed of trust that I had to sign compromising myself to my part of the debt as I was originally unable to join them (TIC partners) in the mortgage due to my lack of credit. This proves the need to have my mother in the title, as I would have not been able to qualify on my own otherwise.

7: Copy of TIC Agreement amendment stating Cristina's debt and requiring Cristina to assume into mortgage (due to initial issues with credit scores and being able to finance into mortgage) asap. Again, proving initial hardship in getting into mortgage.

8: Copy of title. On page 5 of title document, section 10. It is shown "A deed of trust" to secure an indebtedness in the amount shown below and any other obligations secured thereby.

9: Cristina's mother's (Luisa Rivera Lúgaro) Power of Attorney document notarized in Puerto Rico, giving Cristina power of Attorney for anything related to the house. This document is notarized in Puerto Rico proving Cristina's mother does not live with Cristina.

I am Cristina Carrasquillo, of 489 Sanchez. I am quadraplegic (I suffer from paralysis in the four extremities of the body). This is the entrance to my unit, which is easily accessible with my wheelchair as it has no stairs, which is extremely hard to find. The following pages contain the documents that I attach in support of my impact fee waiver request.

1



1

2

CALIFORNIA USA IDENTIFICATION CARD



EXP 06/28/2019
LN CARRASQUILLO RIVERA
FN CRISTINA MARIA
489 SANCHEZ ST
SAN FRANCISCO, CA 94114

2

SOCIAL SECURITY ADMINISTRATION

Date: June 7, 2013
Claim Number: XXX-XX-0353A
XXX-XX-0353DI

CRISTINA M
CARRASQUILLO
489 SANCHEZ ST
SAN FRANCISCO CA 94114-2056

You asked us for information from your record. The information that you requested is shown below. If you want anyone else to have this information, you may send them this letter.

Information About Current Social Security Benefits

Beginning December 2012, the full monthly
Social Security benefit before any deductions is.....\$ 782.90

We deduct \$0.00 for medical insurance premiums each month.

The regular monthly Social Security payment is.....\$ 782.00
(We must round down to the whole dollar.)

Social Security benefits for a given month are paid the following month. (For example, Social Security benefits for March are paid in April.)

Your Social Security benefits are paid on or about the third of each month.

SOCIAL SECURITY ADMIN
1098 VALENCIA STREET
SAN FRANCISCO CA 94110

If You Have Any Questions

If you have any questions, you may call us at 1-800-772-1213, or call your local Social Security office at 866-755-6323. We can answer most questions over the phone. You can also write or visit any Social Security office. The office that serves your area is located at:

SOCIAL SECURITY
1098 VALENCIA ST
SAN FRANCISCO, CA 94110

If you do call or visit an office, please have this letter with you. It will help us answer your questions.

OFFICE MANAGER

**IN-HOME SUPPORTIVE SERVICES
NOTICE OF ACTION**

REASSESSMENT - NO CHAN

Note: This notice relates ONLY to your Social Services.
It does NOT affect your receipt of SSI/SSP or Social Security.
KEEP THIS NOTICE WITH YOUR IMPORTANT PAPERS.

IF REQUESTING A STATE HEARING, PLEASE SEND TO:

YOUR
IHSS
OFFICE

SAN FRANCISCO UNIT W 53
PO BOX 7988
SAN FRANCISCO, CA 94120-7988

SAN FRANCISCO COUNTY UNIT 860
DEPARTMENT OF HUMAN SERVICES
PO BOX 7988
SAN FRANCISCO, CA 94120-7988

CARRASQUILLO, CRISTINA
489 SANCHEZ ST
SAN FRANCISCO CA 94114-2056

Case Number	7
Date Mailed	12/24/2012

UPON REASSESSMENT WE FIND THERE IS NO CHANGE FROM YOUR PREVIOUS AUTHORIZATION FOR IN-HOME SERVICES EFFECTIVE 01/01/2013.

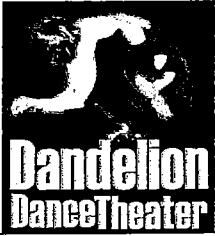
		NOW		WAS	
Your Countable Income:	\$				
Minus SSI/SSP Benefit Level:	\$	866.40		854.40	
Your Share of Cost:	\$				
Minus Assessed IHSS Cost:	\$				
Income in Excess of Assessed Cost:	\$				
SERVICES		HOURS NOW	PREVIOUS HOURS	(+) INCREASE OR (-) DECREASE	
DOMESTIC SERVICES per month:		4.00	4.00		
Clean floors, wash kitchen counters, stoves, refrigerators, bathroom; store food, supplies; take out garbage; dust, pick up; bring in fuel; change; make bed and miscellaneous.					
HEAVY CLEANING (one month only):					
RELATED SERVICES per week:					
* Prepare Meals:		7.00	7.00		
** Meal Cleanup:		3.50	3.50		
Routine Laundry:		2.00	2.00		
Shopping for Food:		1.00	1.00		
Other Shopping Errands:		.50	.50		
NON-MEDICAL PERSONAL SERVICES per week:					
* Respiration Assistance:					
* Bowel, Bladder Care:					
* Feeding:		2.45	2.45		
* Routine Bed Baths:					
* Dressing:		4.67	4.67		
* Menstrual Care:		1.73	1.73		
* Ambulation:					
* Move In/Out of Bed:		4.67	4.67		
* Bathe, Oral Hygiene/Grooming:		6.00	6.00		
* Rub Skin, Repositioning, Help On/Off Seats, In/Out of Vehicle:		5.72	5.72		
* Care/Assistance with Prosthesis:		1.05	1.05		
ACCOMPANIMENT SERVICES per week:					
Medical Appointment:		1.85	1.85		
To Alternative Resources:					
YARD HAZARD ABATEMENT:					
Remove Grass, or Weeds, Rubbish (one month only):					
Remove Ice, Snow, per week:					
PROTECTIVE SUPERVISION per week:					
TEACHING/DEMONSTRATION per week: (no more than three months duration)					
* PARAMEDICAL SERVICE per week:		5.83	5.83		
TOTAL WEEKLY HOURS X 4.33:		207.70	207.70		
ADD DOMESTIC SERVICE HOURS:		4.00	4.00		
ADD HEAVY CLEANING:					
ADD REMOVE GRASS, ETC.:					
TOTAL MONTHLY HOURS (rounded to the nearest tenth)		211.7	211.7		
		NOW		WAS	
Restaurant Meal Allowance:	\$				

"Since you meet the criteria for 20 hours or more in starred (*) services you can get an advance payment to pay your own provider. If you want to get advance payment, contact your service worker. The double starred (**) service is included in the 20 hours only when assistance with feeding, preparation of meals and meal cleanup are all required."

The above action(s) is supported by Federal Law (Social Security Act), State Law (Welfare and Institutions Code), Federal Regulations (Code of Federal Regulations), State Regulations (California Administrative Code and State Department of Social Services Manual of Policies and Procedures):

AS A RESULT OF A NEW STATE LAW YOUR TOTAL MONTHLY AUTHORIZED HOURS OF 211.7 HAVE BEEN REDUCED BY 3.8 PERCENT TO 204.1. (W&IC 12301.06) PLEASE SEE THE INSERT FOR MORE INFORMATION ABOUT THE NEW LAW.

(4)



April 2, 2013

To Whom It May Concern:

I hereby confirm that Cristina Carrasquillo has been working as an Administrative Manager for my dance/theater company (Dandelion Dancetheater) since November 1st, 2012 to the present, at an hourly rate of \$14 for approximately 10 hours a week.

Please contact me if you have any questions at eric@dandeliondancetheater.org

Thank you,

Eric Kupers
Co-Director

www.dandeliondancetheater.org
1310 Mission Street, San Francisco, CA 94103
info@dandeliondancetheater.org (415) 806-0013



San Francisco Assessor-Recorder
 Phil Ting, Assessor-Recorder
DOC- 2006-I136291-00

Tuesday, FEB 28, 2006 14:37:26
 Ttl Pd \$10.00 Nbr-0002950156
REEL J086 IMAGE 0742
 ata/ER/1-2

WHEN RECORDED RETURN TO:

Josu Garamendia Irastorza
 485 Sanchez Street
 San Francisco, CA 94114

APN: 3580-026

CO-OWNERSHIP SHARED DEBT DEED OF TRUST

This Deed Of Trust is made 2/16/2006 among Cristina Carrassquillo, (the "Trustor"), Fidelity National Title Company, a California Corporation (the "Trustee"), and Josu Garamendia Irastorza and Issac Luiz (collectively, the "Beneficiary").

2
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 Er

TRUSTOR IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS TO TRUSTEE IN TRUST, WITH POWER OF SALE:

- I. Trustor's entire ownership interest in that certain lot, piece or parcel of land, together with all water rights and any and all buildings and improvements now or hereafter erected thereon situated in the County of San Francisco, State of California, and more particularly described in Exhibit "A" (the "Property"). Trustor's interest in this lot, piece or parcel of land, together with all said buildings and improvements, shall be herein referred to as the "Property".
- II. TOGETHER with Trustor's interest in the rents issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

FOR THE PURPOSE OF SECURING Trustor's obligation to Beneficiary to service and repay 23.37% of the debt secured by the Property according to the terms of the Tenancy In Common Agreement For 485-487-489 Sanchez Street as amended by the First Amendment thereto executed by Trustor and Beneficiary and dated January 30, 2006 (collectively, the "TIC Agreement").


TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES THAT:

- I. That upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said property which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed, the TIC Agreement, and all documents evidencing expenditures secured hereby. After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement Trustee shall deliver to such purchaser its deed conveying the property

(6)

so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale. After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of all sums expended under the terms hereof, not then repaid, with accrued interest at the amount allowed by law in effect at the date hereof, all other sums then secured hereby, and the remainder, if any, to the person or persons legally entitled thereto.

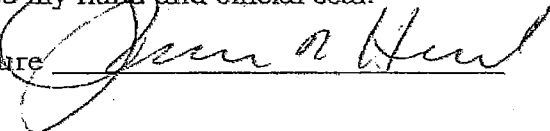
2. Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where said property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed is recorded and the name and address of the new Trustee.
3. That this Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the co-owners of the Property who are not then in default under the TIC Agreement whether or not named in this Deed, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.
4. That Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

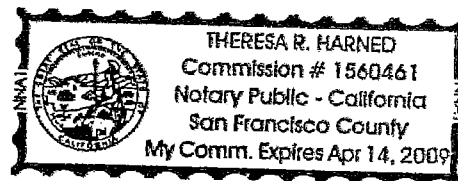

Cristina Carrassquillo 02/16/06
DATE

STATE OF CALIFORNIA
COUNTY OF SAN FRANCISCO
ON FEBRUARY 15, 2006 before me,
THERESA R. HARNED

personally appeared Cristina Carrassquillo 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 acting on behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal.

Signature 



named borrowers on the Shared Mortgage are John Chartier, Josu Garamendia Irastorza and Issac Luiz, however Cristina Carrassquillo and Luisa Rivera Lugano are jointly and severally liable for the Shared Debt Percentage for Cotenant Three by the terms of the Agreement. In consideration of Cotenant Chartier and Cotenant Garamendia Irastorza/Luiz entering into the Shared Mortgage Cristina Carrassquillo agrees within six (6) months of the Effective Date of this First Amendment to be added as named borrower on the Shared Mortgage and to formally assume the Shared Debt Percentage allocation of "Cotenant Three" on Exhibit A. All costs associated with the process under which Cristina Carrassquillo is added as named borrower on the Shared Mortgage shall be paid by Cristina Carrassquillo.

1A5. FAILURE TO ASSUME. In the event Cristina Carrassquillo fails to formally assume the Shared Debt Percentage allocation of Cotenant Three with the lender for the Shared Mortgage for any reason, the Regular Monthly Assessment of Cotenant Carrassquillo will be increased by an amount equal to one twelfth (1/12th) of .5% of the Shared Debt Percentage allocation of Cotenant Carrassquillo and the Regular Monthly Assessments of Cotenant Chartier and Cotenant Garamendia Irastorza/Luiz will each be decreased by an amount equal to one half of such increase. The provisions of this section shall apply unless and until such time as Cotenant Carrassquillo formally assumes service and repayment of the Shared Debt Percentage allocation and is added as named borrower on the Shared Mortgage.

1A6. COTENANT IDENTITY AND SHARED DEBT PERCENTAGE. Exhibit A to this First Amendment states the names of all of the current Cotenants and the Parties comprising such Cotenants, as well as their Shared Debt Percentages. All Parties hereby certify that the information on Exhibit A to this First Amendment is correct, and all Parties reaffirm their obligations under the Original Agreement as modified by this First Amendment. No individuals or entities not listed on Exhibit A to this First Amendment have an ownership in the Property or any obligations under the Agreement.

EACH PARTY HERETO HAS EXECUTED THIS FIRST AMENDMENT, AND AGREED TO BE BOUND BY ITS TERMS, AFTER AN OPPORTUNITY TO FULLY REVIEW THE FIRST AMENDMENT AND CONSULT WITH AN ATTORNEY OF HIS/HER CHOICE.

Thoduff 2-7-06
Ted Dubasik DATE

CRQ 02/16/06
Cristina Carrassquillo DATE

Melissa Dubasik 2/7/06
Melissa Dubasik DATE

Luisa Rivera Lugano by CRQ
Luisa Rivera Lugano DATE

John Chartier 2/6/06
John Chartier DATE

Josu Garamendia Irastorza DATE
02/16/06

Issac Luiz 2/15/06
Issac Luiz DATE



Fidelity National Title Insurance Company

Guarantee No. CAFTV0938-0938-0051-0000466042-FNYTC-2013-G24

PRELIMINARY PARCEL MAP GUARANTEE

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE LIMITS OF LIABILITY, AND OTHER PROVISIONS OF THE CONDITIONS AND STIPULATIONS HERETO ANNEXED AND MADE A PART OF THIS GUARANTEE.

Fidelity National Title Insurance Company
a corporation, herein called the "Company",

GUARANTEES

The assured named in Part 1

herein called the Assured, register loss not exceeding \$1,000,000, which the Assured shall maintain by reason of any inaccuracies in the assurance which the Company hereby gives that, according to the public records on the date stated herein.

The title to the herein described estate or interest was vested in the vestee named, subject to the matters shown as Exceptions herewith, which Exceptions are not necessarily shown in the order of their priority.

THIS PRELIMINARY PARCEL MAP GUARANTEE IS FURNISHED FOR THE SOLE PURPOSE OF FACILITATING COMPLIANCE WITH THE REQUIREMENTS FOR ISSUANCE OF A PARCEL MAP GUARANTEE. IT SHALL NOT BE USED OR RELIED UPON FOR ANY OTHER PURPOSE.

[Signature]
Counter signed



Fidelity National Title Insurance Company
BY *[Signature]* President
ATTEST *[Signature]* Secretary

Indemnity Parcel Map Guarantee
CITX Guarantee Form No. 24 (01/07/09)

Guarantee No.: CAFTV0938-0938-0051-0000466042-FNYTC-2013-G24

Fee: \$150.00

Parcel Map Reference: 485-489 Sanchez Street

PART 1

PRELIMINARY PARCEL MAP GUARANTEE

Name of Assured: City and County of San Francisco

Date of Guarantee: July 2, 2013, 07:30 A.M.

The estate or interest in the land hereinafter described or referred to covered by this Preliminary Guarantee is

Title to said estate or interest at the date hereof is vested in:

Isaac Lewitz, Jr., Trustee, or successor in trust of the Isaac Lewitz, Jr. Living Trust dated October 24, 2006, and any amendments thereto, as to an undivided 21% interest; and Josu Garmendia Trastorza, Trustee, or successor in trust of the Josu Garmendia Trastorza Living Trust dated October 24, 2006, and any amendments thereto, as to an undivided 14% interest; and

John Charter, an unmarried man, as to an undivided 34% interest; and Cristina Carrasquillo, an unmarried woman and Liliba Rivera Lugano, an unmarried woman, as joint tenants, as to an undivided 31% interest.

The land referred to in this Preliminary Guarantee is described as follows:

See Exhibit "A" attached hereto and made a part hereof

Indemnity Parcel Map Guarantee
CITX Guarantee Form No. 24 (01/07/09)

(8)

EXHIBIT "A"

PART 1 (CONTINUED)

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SAN FRANCISCO, COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

Beginning at a point on the Easterly line of Sanchez Street, distant 53 feet Northerly from the Northerly line of Eighteenth Street; running thence Northerly along said line of Sanchez 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 Mission Block No. 94.

APN: Lot 26, Block 3580

Exceptions:

1. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2013-2014.
2. The herein described property lies within the boundaries of a Mello-Roos Community Facilities District ("CFD") as follows:
 - CFD No: 90-1
 - School Facility Repair and Maintenance
 - For: Notice of Special Tax Lien recorded July 5, 1990 in Book F160, Page 1044 and by Supplemental Notice of Special Tax Lien recorded July 11, 1990 in Book F165, Page 1 et. seq., Official Records of the City and County of San Francisco

This property, along with all other parcels in the CFD, is liable for an annual special tax. This special tax is included with and payable with the general property taxes of the City and County of San Francisco. The tax may not be prepaid.

Further information may be obtained by contacting:

San Francisco Unified School District
Office of the Superintendent for Business
135 Van Ness Ave.
San Francisco, CA 94102
Phone (415) 241-6024
3. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Chapter 3.5 (Commencing with Section 75) of the Revenue and Taxation code of the State of California.
4. Matters contained in that certain document entitled "Memorandum of Notice Regarding Withdrawal of Rental Unit from Rent of Lease" dated March 2, 2005, executed by and between Theodore F. Dubaski and Melissa A. Dubaski recorded March 4, 2005, Instrument No. 2005-H913650-00, Book 1839, Page 305, of Official Records.
Reference is hereby made to said document for full particulars.
5. Matters contained in that certain document entitled "Notice of Constraints on Real Property" dated March 14, 2005, executed by San Francisco Rent Board recorded June 9, 2005, Instrument No. 2005-H968486-00, Book 1507, Page 414, of Official Records.
Reference is hereby made to said document for full particulars.

6. Matters contained in that certain document entitled "Notice of Constraints on Real Property" dated March 14, 2005, executed by San Francisco Rent Board recorded June 9, 2005, Instrument No. 2005-H968487-00, Book 1907, Page 415, of Official Records.
Reference is hereby made to said document for full particulars.

7. Matters contained in that certain document entitled "Memorandum of Agreement" dated August 25, 2005, recorded September 7, 2005, Instrument No. 2005-10225412-00, Book 1969, Page 205, of Official Records, which document, among other things, contains or provides for: 1) Allocations of expenses associated with the Property including the obligation to service and repay debt secured by the Property, which allocations are not necessarily in proportion to ownership; THIS MEMORANDUM OF AGREEMENT IS EXPRESSLY INTENDED TO GIVE CONSTRUCTIVE NOTICE TO PROSPECTIVE CREDITORS THAT A PARTICULAR OWNERS ALLOCATED RESPONSIBILITY FOR DEBT SERVICE AND REPAYMENT MAY SUBSTANTIALLY EXCEED THAT OWNERS TITLED OWNERSHIP PERCENTAGE;

2) Restrictions on the rights of all owners to transfer or encumber any portion of or interest in the property without the consent of the other owners; and
3) Options and rights of first refusal granted by each owner to the other owners in the event of any proposed transfer of any portion of interest in the property.

Reference is hereby made to said document for full particulars.

8. A deed of trust to secure an indebtedness in the amount shown below, and any other obligations secured thereby

Amount: \$1,425,000.00
 Dated: January 27, 2006
 Trustor: Isaac Lawiz, Jr., an unmarried man and Josu Garmendia Trastorza, an unmarried man and John Cherler, an unmarried man and Cristina Carrasquillo, an unmarried woman and Luisa Rivera Lugano, an unmarried woman
 Trustee: Fidelity National Title
 Beneficiary: Mortgage Electronic Registration Systems, Inc., acting solely as nominee for lender RESIDENTIAL MORTGAGE CAPITAL, a California Corporation 1023543
 Loan No.: February 8, 2006, Instrument No. 2006-1124075-00, Book 173, Page 0386, of Official Records

9. Matters contained in that certain document entitled "Memorandum of Agreement" dated February 6, 2006, recorded February 28, 2006, Instrument No. 2006-1136290-00, Book 1086, Page 0741, of Official Records, which document, among other things, contains or provides for: 1) Allocations of expenses associated with the Property including the obligation to service and repay debt secured by the Property, which allocations are not necessarily in proportion to ownership; THIS MEMORANDUM OF AGREEMENT IS EXPRESSLY INTENDED TO GIVE CONSTRUCTIVE NOTICE TO PROSPECTIVE CREDITORS THAT A PARTICULAR OWNERS ALLOCATED RESPONSIBILITY FOR DEBT SERVICE AND REPAYMENT MAY SUBSTANTIALLY EXCEED THAT OWNERS TITLED OWNERSHIP PERCENTAGE;

2) Restrictions on the rights of all owners to transfer or encumber any portion of or interest in the property without the consent of the other owners; and
3) Options and rights of first refusal granted by each owner to the other owners in the event of any proposed transfer of any portion of interest in the property.

Reference is hereby made to said document for full particulars.

10. A deed of trust to secure an indebtedness in the amount shown below, and any other obligations secured thereby

Amount: None Shown
 Dated: February 16, 2006
 Trustor: Cristina Carrasquillo
 Trustee: Fidelity National Title Company, a California Corporation
 Beneficiary: Josu Garmendia Trastorza and Isaac Lutz
 Loan No.: February 28, 2006, Instrument No. 2006-1136291-00, Book 1086, Page 0742, of Official Records
 Recorded:

Affects: Trustors' Interest Only

Which document, among other things, contains or provides for:

"FOR THE PURPOSE OF SECURING Trustor's obligation to Beneficiary to service and repay 23.37% of the debt secured by the Property according to the terms of the Tenancy In Common Agreement For 485-487-489 Sanchez Street as amended by the First Amendment thereto executed by Trustor and Beneficiary and dated January 30, 2006 (collectively, the "TTC Agreement")."

Reference is hereby made to said document for full particulars.

GUARANTEE CONDITIONS AND STIPULATIONS

11. Any invalidity or defect in the title of the vestees in the event that the trust referred to herein is invalid or fails to grant sufficient powers to the trustee(s) or in the event there is a lack of compliance with the terms and provisions of the trust instrument.

If title is to be insured in the trustee(s) of a trust (or if their act is to be insured), this Company will require a Trust Certification pursuant to California Probate Code Section 18100.5. The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.

12. Any assessment and/or relinquishments, which may be shown upon the dedicated map of 485-489 Sanchez Street.

13. This report is based upon the record title at the date hereof. If the subject property is further conveyed or encumbered, the signatures of such interest holders will be required as parties necessary to execute the record map and effect proper dedications.

When the record map is ready for checking by the City Engineer and/or the County Surveyor, please forward an additional copy to this office.

END OF EXCEPTIONS

1. DEFINITIONS OF TERMS

(a) "Trust" shall mean any trust created by will or otherwise, in which the trustee(s) are named as trustee(s) and the trust instrument is recorded in the public records of the County of San Diego, California, and which is intended to be irrevocable and which is to be administered for the benefit of the beneficiaries named in the trust instrument.

(b) "Trustee(s)" shall mean the person or persons named as trustee(s) in the trust instrument.

(c) "Beneficiary" shall mean the person or persons named as beneficiary in the trust instrument.

(d) "Trust Instrument" shall mean the instrument which creates the trust.

(e) "Trust Agreement" shall mean the instrument which governs the administration of the trust.

(f) "Trust Certificate" shall mean a certificate of title issued by the County Assessor's Office, which certifies that the trust instrument is recorded in the public records of the County of San Diego, California, and that the trust instrument is intended to be irrevocable and is to be administered for the benefit of the beneficiaries named in the trust instrument.

2. THE COMPANY'S LIABILITY FOR BREACH OF TRUST

The Company assumes no liability for breach of trust by reason of the following:

(a) Trust or agreement which are not shown on the map or assessment or not recorded in the public records.

(b) Unperfected mining claims, mortgages or other interests in property.

(c) The Company's liability for breach of trust shall be limited to the extent of the amount of the trust fund at the time of the breach.

(d) The Company's liability for breach of trust shall be limited to the extent of the amount of the trust fund at the time of the breach, less the amount of the trust fund at the time of the breach, less the amount of the trust fund at the time of the breach.

3. PROTECTION OF ACTIONS

(a) The Company shall have the right to bring suit in its own name to enforce the terms of the trust instrument, and the Company may take any appropriate action under the terms of the trust instrument to enforce the terms of the trust instrument.

(b) In all cases where the Company does not institute and prosecute any action or proceeding, the Assured shall institute and prosecute any action or proceeding for such purpose. Whenever required by the Assured, the Assured shall give the Company all reasonable notice in writing of any action or proceeding, and the Company shall reimburse the Assured for any expense so incurred.

4. NOTICE OF LOSS - LIMITATION OF ACTION

A statement in writing of any loss or damage for which the Assured is entitled to recover under this Guarantee shall be filed with the Company within the time specified in the terms of the Guarantee, and no claim shall be allowed unless such statement has been filed with the Company within the time specified in the terms of the Guarantee.

5. OPTION TO PAY, SETTLE OR CONVICTION CLAIM

The Company shall have the option to pay or settle a claim for which the Assured is entitled to recover under this Guarantee, or to pay the full amount of the Guarantee to the Assured, or to pay the full amount of the Guarantee to the Assured, or to pay the full amount of the Guarantee to the Assured, or to pay the full amount of the Guarantee to the Assured.

6. LIMITATION OF LIABILITY - PAYMENT OF LOSS

(a) The liability of the Company under this Guarantee shall be limited to the amount of actual loss sustained by the Assured, and shall not exceed the amount of the Guarantee.

(b) The Company will pay all costs, charges and expenses incurred by the Assured in the settlement of a claim under this Guarantee.

(c) No claim for damages shall be allowed unless the Assured has exhausted all other remedies available to it, and unless the Assured has given notice of such claim to the Company within the time specified in the terms of the Guarantee.

7. SUBROGATION UPON PAYMENT OR SETTLEMENT

The Company shall have the right to subrogate to the Assured all rights and remedies which the Assured would have had against any person or property in respect of a claim for which the Assured is entitled to recover under this Guarantee, and the Assured shall execute all documents and do all things necessary to effect such subrogation, and shall defend the Company against all claims and demands which may be made against the Assured in respect of such claim.

8. ASSIGNMENT OF RIGHTS

The Assured shall not assign or transfer any rights or interests in this Guarantee, and the Company shall not be bound by any assignment or transfer of this Guarantee.

9. ENTIRE AGREEMENT

This Guarantee shall constitute the entire agreement between the Assured and the Company, and shall supersede all other agreements, understandings or arrangements between the Assured and the Company.

10. NOTICE WHERE SENT

All notices required to be given to the Company under this Guarantee shall be given to the Company at the address specified in the terms of the Guarantee.

11. THIS TRUST SUPERSEDES ON SCHEDULE A OF THIS GUARANTEE IS THE TOTAL PAY FOR THE ASSURED'S BENEFIT UNDER THIS GUARANTEE.

7346

GENERAL POWER OF ATTORNEY

I, LUISA ISABEL RIVERA LUGARO, of legal age, single, a health facility administrator and resident of San Juan, Puerto Rico, do under oath hereby solemnly:

ATTEST

FIRST: That I am the co-owner, together with my daughter CRISTINA MARIA CARRASQUILLO a/k/a CRISTINA MARIA CARRASQUILLO RIVERA, who is of legal age, single, of 489 Sanchez Street, San Francisco, California 94114, of a real property located at said address, namely, 489 Sanchez Street, San Francisco, California 94114.

SECOND: That I hereby confer a power of attorney as broad and sufficient as may be legally necessary upon my aforesaid daughter CRISTINA MARIA CARRASQUILLO a/k/a CRISTINA MARIA CARRASQUILLO RIVERA, so that in my name, place and stead she may execute the following acts, documents and agreements:-----

ONE: That she may sell, transfer, donate, pledge, mortgage or otherwise encumber or dispose of my interest, participation or share in the real property described in the FIRST paragraph of this document to any natural or legal person, and by the price and subject to the conditions that she may deem convenient.-----

TWO: That for purposes of said sale or encumbrance of the referenced real property she may sign and execute in my name, place and stead all necessary or pertinent private and public documents, including the corresponding deed of sale and/or deed of trust and receive in my name any document or paper and/or payment in check or cash to be delivered by the purchaser.-----

THREE: That she may pay any sum of money necessary to cover the expenses inherent in the referenced transaction or any outstanding debt, being also empowered to cash any check and/or utilize any sum of money received on account of the sale or encumbrance of the referenced property for any legal purpose whatever.-----

FOUR: To appear before any Court of Law, governmental or private agency or entity and effect or perform any action or transact any business necessary to carry out or conclude the herein-authorized tasks.-----

FIVE: This Power of Attorney shall expire with the execution of the tasks enumerated to the Attorney-in-Fact or after eighteen (18) months of the date of execution of the last of the document, unless revoked previously in writing by the person granting the Power Attorney.

SIGNED AND NOTARIZED in San Juan, Puerto Rico, by LUISA ISABEL RIVERA LUGARO, of the aforesaid legal circumstances, this 12th day of August, 2013.

LUISA ISABEL RIVERA LUGARO

COMMONWEALTH OF PUERTO RICO)
MUNICIPALITY OF SAN JUAN) SS.

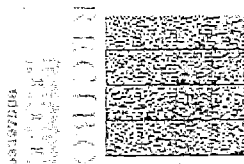
AFFIDAVIT NO. 2,396

Sworn and subscribed to before me by LUISA ISABEL RIVERA LUGARO, of the aforesaid personal circumstances, personally known to me, whom I ATTEST on the aforesaid date and place personally appeared before and acknowledged that the foregoing affidavit is her true act and deed.

In San Juan, Puerto Rico, this 12th day of August, 2013.

NOTARY PUBLIC

My commission is ad vitam and does not expire on a set date but may be only suspended or revoked by course.



51352-2012-0326-75317314

From: Whitley, Gigi
Sent: Thursday, October 24, 2013 12:51 PM
To: Lamug, Joy
Cc: Calvillo, Angela; Caldeira, Rick; Cleveland-Knowles, Susan; Malamut, John; McCloskey, Benjamin; Lee, Olson; Buckley, Jeff
Subject: MOHCD Response for October 29, 2013 Condo Conversion Fee Appeal Hearing
Attachments: MOHCD Response to Condo Fee Appeal_10.29.13.pdf

Hi Joy,

Attached is our office's response to the first condominium conversion fee appeal, scheduled for a October 29, 2013, Board of Supervisors hearing. I apologize for the late delivery of this memo. As this is the first appeal, it took some time to coordinate our City response. In the future, we will have these letters to you well in advance of the hearing.

I'm hoping to get your office's assistance in getting this response to the appellant, Cristina Carrasquillo, and her property co-owners prior to Tuesday's hearing.

Please let me know what is possible in terms of reaching the appellant.

Thanks,
Gigi

Gigi Whitley
Deputy Director
Mayor's Office of Housing and Community Development
South Van Ness Avenue, 5th Floor
Tel: (415) 701-5562
Fax: (415) 701-5501

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: Gigi Whitley, Deputy Director, Mayor's Office of Housing and Community Development

CC: Cristina Carrasquillo, Appellant, and Property Owners of 485 Sanchez and 487 Sanchez

SUBJECT: Appeal of Reduction, Adjustment or Waiver of Condominium Conversion Fee for a Property Located at 489 Sanchez Street

DATE: October 29, 2013

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 Cristina Carrasquillo, the property owner of 489 Sanchez Street, (part of a tenancy-in-common with 485 and 487 Sanchez Street). The law's standard for granting the appeal requires the appellant to successfully challenging the economic analysis in 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 \$8,000 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 status from a dwelling unit within an unsubdivided property to a separate interest in a condominium unit.²

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

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

Basis for an Appeal.

In a September 5, 2013 request for a fee waiver, Ms. Carrasquillo states that the condominium conversion fee should not apply in her situation, due to her being on a fixed income, as she receives Social Security Disability Income (SSDI) due to medical reasons that prevent her from working full-time. She also states that because she requires a wheelchair accessible unit and the difficulty in locating accessible housing that she has no intention of moving from her ground-floor unit. In other words, Ms. Carrasquillo suggests that because she presents a financial hardship and has no immediate plans to sell her unit that somehow the nexus study findings do not apply to her case, particularly because she herself is in need of affordable housing.

Despite Ms. Carrasquillo's statement that she has no plans to sell her unit upon conversion, there is nothing preventing her from changing her mind and selling her unit at any point in the future. She still retains the option to sell her unit as a condominium and has greater likelihood of getting a higher sales price by being a condominium owner. In fact, the KMA nexus study was not based on when the appellant would sell the condominium unit but rather that the unit 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 Ms. Carrasquillo or her estate will sell her unit to a condominium purchaser, rather than a separate TIC purchaser, which reflects the current ownership status. That economic transaction still 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 the meantime, there are tangible financial advantages to the existing TIC owner who becomes a condominium owner. The KMA study quantified the gain of condominium conversion

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.)**

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. Carrasquillo still will reap immediate financial benefits through conversion to a condominium unit. After condominium conversion, Ms. Carrasquillo could refinance her mortgage loan at a lower interest rate, thereby leaving her more discretionary income to use however she deems appropriate. She also may have the ability to obtain an individual home equity loan to enhance her current living conditions. 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. A quick search of available property data revealed the property purchase price for 485-489 Sanchez Street shows considerable appreciation from when the 3-unit building was purchased in 2006 at approximately \$645,000 to its current estimated value at \$1.823 million for a property located in the heart of the Castro district.⁴ Either way, Ms. Carrasquillo is receiving a benefit from the conversion.

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. Carrasquillo, the fee is calculated at \$8,000 per unit or \$24,000 for the 3-unit property.

It is important to note that while this building's TIC owners apparently have chosen to each pay the per-unit cost (\$8,000 each), it is not necessary that each owner pay an equal share of the TIC's \$24,000 fee. In other words, co-owners that place a higher value on the condominium conversion than Ms. Carrasquillo could pay more than an equal share to reduce her fee payment. For example, Ms. Carrasquillo's co-owners could decide to loan her funds for the fee and structure it as a loan from the new condominium homeowners association (HOA). The loan could be repayable to the HOA upon sale of her unit sometime in the future.

Moreover, the TIC owners of the building presumably were not forced to convert and pay the fee now. As long as this building remains eligible for the conversion program, the co-owners could convert in future and pay the conversion fee at a time when it creates a less immediate hardship and more easily accommodates the economic profile and savings of the owners. The TIC owners in this building also could elect not to convert at this time and remain a TIC until the annual condominium lottery resumes in the future when the conversion fee will not be assessed.

Law Does Not Allow for Hardship Waiver.

The primary 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

⁴ Zillow.com Home Values, 485-489 Sanchez Street, October 2013

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. Carrasquillo's appeal does not meet this definition. Ms. Carrasquillo 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 her case, only that she has no immediate plans to sell her unit to a higher income purchaser. In other words, regardless of the timing of the impact, there is still an impact to require a fee payment.

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. According to DPW, Ms. Carrasquillo did not pursue this option.

Recommendation:

While the appellant's individual 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 the \$8,000 fee for her unit, Ms. Carrasquillo is already receiving a \$12,000 per unit fee reduction based on her prior years of participation in the lottery. As noted above, Ms. Carrasquillo also did not take advantage of the hardship remedy available, to request a fee deferral until final subdivision approval.

Furthermore, there is no requirement for Ms. Carrasquillo to pay an equal share of the TIC building fee. The fee applies to the entire building, which allows Ms. Carrasquillo to negotiate with her co-owners on a lower payment or possible loan from the HOA prior to resale of her unit if the ownership group voluntarily elects to pursue a condominium conversion at this time.

Finally, 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 or states that they have no plans to sell their unit after conversion. 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.



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, October 29, 2013
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. 130850. Hearing of persons interested in or objecting to the application of the condominium conversion fee per Subdivision Code, Section 1396.4(j), for property located at 489 Sanchez Street, Assessor's Block No. 3580, Lot No. 026. (District 8) (Appellant: Cristina Carrasquillo) (Filed September 5, 2013).

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, October 25, 2013.

Individuals submitting written comments or speaking at the hearing are not required to identify themselves. If an individual chooses to identify himself or herself, the individual's name – along with any information the individual provides – will become part of the public record.

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

Angela Calvillo, Clerk of the Board

Caldeira, Rick

From: Chan, Cheryl [Cheryl.Chan@sfdpw.org]
Sent: Thursday, October 17, 2013 4:21 PM
To: Caldeira, Rick
Subject: AB 3580, Lot 026 at 485-489 Sanchez Street
Attachments: 7770_Address List.pdf; 7770_Form No. 1.pdf

Good afternoon Rick,

The attached address list does not indicate the occupants' names in each unit. However, the attached Form No. 1 shows the unit number for each corresponding occupant in Item No. 8.

Please let me know if you need anything else.

Thank you,



CHERYL CHAN

CITY & COUNTY OF S.F. - DEPARTMENT OF PUBLIC WORKS
Bureau of Street-Use and Mapping
1155 Market Street, 3rd Floor, San Francisco, CA 94103
Main: 415-554-5827 | Direct: 415-554-4885 | Fax: 415-554-5324
E-Mail: cheryl.chan@sfdpw.org

F. Expedited Conversion Program – FORMS

Form No. 1

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

Assessor's Block 3580 Lot 26 Address 485-489 Sanchez Street, San Francisco, CA 94114

Item No. 6 – Building History

No information known except for as detailed on Report of Residential Record

Item No. 7 – Statement of Repairs & Improvements

n/a

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

Unit	Occupant Name	Apartment Number	Is the unit vacant?		Does occupant intend to purchase unit?	
One	① Isaac Luiz f.k.a. Isaac Lewiz, Jr., Josu Garmendia Irastorza	485	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Two	② John Chartier	487	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Three	④ Cristina Carrasquillo	489	<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: 0

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

Five Year Occupancy History

Apartment No.	Duration	Occupants	Rent	Reason for Termination/Leaving
485	02/2006-present	① Isaac Luiz f.k.a. Isaac Lewiz, Jr., Josu Garmendia Irastorza	0-0	n/a
487	09/2005-present	② John Chartier	0-0	n/a
489	09/2005-present	④ Cristina Carrasquillo	0-0	n/a

Form No.1
 Condominium Expedited Conversion Application
 Page 2

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


Yes No If yes provide details.

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
485	3	1,050	0-0	\$1,600,000
487	2	1,050	0-0	\$1,600,000
489	1	900	0-0	\$1,400,000

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 # _____ # _____
 # _____ # _____ # _____



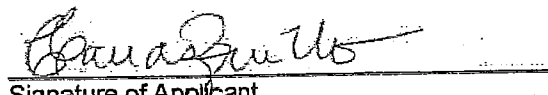
 Signature of Applicant

8/20/13
 Date



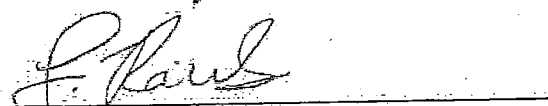
 Signature of Applicant

8/20/13
 Date



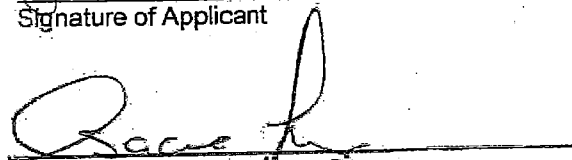
 Signature of Applicant

8/20/13
 Date



 Signature of Applicant

8/20/13
 Date



 Signature of Applicant

8/20/13
 Date

485-489 Sanchez Street, San Francisco, CA 94114 (3580-26)

Please inform all owners (Isaac Lewiz, Jr., Josu Garmendia Irastorza, John Chartier, Cristina Carrassquillo, Luisa Rivera Lugano) c/o

485-489 Sanchez Street HOA
c/o John Chartier
487 Sanchez Street
San Francisco, CA 94114

Isaac Lewiz, Jr. (fka Isaac Luiz)
485 Sanchez Street
San Francisco, CA 94114

Josu Garmendia Irastorza
485 Sanchez Street
San Francisco, CA 94114

John Chartier
487 Sanchez Street
San Francisco, CA 94114

Cristina Carrasquillo
489 Sanchez Street
San Francisco, CA 94114

Luisa Rivera Lugano
485-489 Sanchez Street
San Francisco, CA 94114

485-489 Sanchez Street HOA
c/o John Charter
487 Sanchez Street
San Francisco, CA 94114

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. Request for Closed Session (attach written motion).
- 10. Board to Sit as A Committee of the Whole.
- 11. 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 different form.

Sponsor(s):

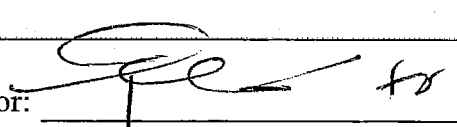
Clerk of the Board

Subject:

Public Hearing - Appeal of Application of Condominium Conversion Fee - 489 Sanchez 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 property located at 489 Sanchez Street, Assessor's Block No. 3580, Lot No. 026. (District 8) (Appellant: Cristina Carrasquillo) (Filed September 5, 2013).

Signature of Sponsoring Supervisor: 

For Clerk's Use Only:

