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## MEMORANDUM

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Date: November 18, 2025  
 To: Planning Department/Planning Commission  
 From: Monique Crayton, Assistant Clerk, Government Audit and Oversight Committee  
 Subject: Board of Supervisors Legislation Referral - File No. 251127  
**Mills Act Historical Property Contract - 1035 Howard Street**  
 Resolution approving an historical property contract between 1035 Howard LLC, the owners of 1035 Howard Street, and the City and County of San Francisco, under Administrative Code, Chapter 71; and authorizing the Planning Director and the Assessor-Recorder to execute and record the historical property contract.

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- California Environmental Quality Act (CEQA) Determination  
*(California Public Resources Code, Sections 21000 et seq.)*
  - Ordinance / Resolution
  - Ballot Measure
- Amendment to the Planning Code, including the following Findings:  
*(Planning Code, Section 302(b): 90 days for Planning Commission review)*
  - General Plan     Planning Code, Section 101.1     Planning Code, Section 302
- Amendment to the Administrative Code, involving Land Use/Planning  
*(Board Rule 3.23: 30 days for possible Planning Department review)*
- General Plan Referral for Non-Planning Code Amendments  
*(Charter, Section 4.105, and Administrative Code, Section 2A.53)*  
 (Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)
- Historic Preservation Commission
  - Landmark *(Planning Code, Section 1004.3)*
  - Cultural Districts *(Charter, Section 4.135 & Board Rule 3.23)*
  - Mills Act Contract *(Government Code, Section 50280)*
  - Designation for Significant/Contributory Buildings *(Planning Code, Article 11)*

Planning Department / Commission Referral  
November 18, 2025

Please send the Planning Department/Commission recommendation/determination to Monique Crayton  
at [monique.crayton@sfgov.org](mailto:monique.crayton@sfgov.org).

1 [Mills Act Historical Property Contract - 1035 Howard Street]

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3 **Resolution approving an historical property contract between 1035 Howard LLC, the**  
4 **owners of 1035 Howard Street, and the City and County of San Francisco, under**  
5 **Administrative Code, Chapter 71; and authorizing the Planning Director and the**  
6 **Assessor-Recorder to execute and record the historical property contract.**

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8 WHEREAS, The California Mills Act (Government Code, Section 50280 et seq.)  
9 authorizes local governments to enter into a contract with the owners of a qualified historical  
10 property who agree to rehabilitate, restore, preserve, and maintain the property in return for  
11 property tax reductions under the California Revenue and Taxation Code; and

12 WHEREAS, The Planning Department has determined that the actions contemplated in  
13 this Resolution comply with the California Environmental Quality Act (California Public  
14 Resources Code, Sections 21000 et seq.); and

15 WHEREAS, Said determination is on file with the Clerk of the Board of Supervisors in  
16 File No. \_\_\_, is incorporated herein by reference, and the Board herein affirms it; and

17 WHEREAS, San Francisco contains many historic buildings that add to its character  
18 and international reputation and that have not been adequately maintained, may be  
19 structurally deficient, or may need rehabilitation, and the costs of properly rehabilitating,  
20 restoring, and preserving these historic buildings may be prohibitive for property owners; and

21 WHEREAS, Administrative Code, Chapter 71, was adopted to implement the  
22 provisions of the Mills Act and to preserve these historic buildings; and

23 WHEREAS, 1035 Howard Street is a Category II - Significant Building pursuant to  
24 Article 11 of the Planning Code, and thus qualifies as an historical property as defined in  
25 Administrative Code, Section 71.2; and

1            WHEREAS, A Mills Act application for an historical property contract has been  
2 submitted by 1035 Howard LLC, the owners of 1035 Howard Street, detailing rehabilitation  
3 work and proposing a maintenance plan for the property; and

4            WHEREAS, As required by Administrative Code, Section 71.4(a), the application for  
5 the historical property contract for 1035 Howard Street was reviewed by the Office of the  
6 Assessor-Recorder and the Historic Preservation Commission; and

7            WHEREAS, The Assessor-Recorder has reviewed the historical property contract and  
8 has provided the Board of Supervisors with an estimate of the property tax calculations and  
9 the difference in property tax assessments under the different valuation methods permitted by  
10 the Mills Act in its report transmitted to the Board of Supervisors on \_\_\_\_\_, which  
11 report is on file with the Clerk of the Board of Supervisors in File No. \_\_\_\_\_ and is  
12 hereby declared to be a part of this Resolution as if set forth fully herein; and

13           WHEREAS, The Historic Preservation Commission recommended approval of the  
14 historical property contract in its Resolution No. \_\_\_\_\_, including approval of the  
15 Rehabilitation Program and Maintenance Plan, attached to said Resolution, which is on file  
16 with the Clerk of the Board of Supervisors in File No. \_\_\_\_\_ and is hereby declared  
17 to be a part of this Resolution as if set forth fully herein; and

18           WHEREAS, The draft historical property contract between 1035 Howard LLC, the  
19 owners of 1035 Howard Street, and the City and County of San Francisco is on file with the  
20 Clerk of the Board of Supervisors in File No. \_\_\_\_\_ and is hereby declared to be a  
21 part of this Resolution as if set forth fully herein; and

22           WHEREAS, The Board of Supervisors has conducted a public hearing pursuant to  
23 Administrative Code, Section 71.4(d), to review the Historic Preservation Commission's  
24 recommendation and the information provided by the Assessor's Office in order to determine  
25 whether the City should execute the historical property contract for 1035 Howard Street; and

1           WHEREAS, The Board of Supervisors has balanced the benefits of the Mills Act to the  
2 owner of 1035 Howard Street with the cost to the City of providing the property tax reductions  
3 authorized by the Mills Act, as well as the historical value of 1035 Howard Street and the  
4 resultant property tax reductions, and has determined that it is in the public interest to enter  
5 into a historical property contract with the applicants; now, therefore, be it

6           RESOLVED, That the Board of Supervisors hereby approves the historical property  
7 contract between 1035 Howard LLC, the owners of 1035 Howard Street, and the City and  
8 County of San Francisco; and, be it

9           FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the Planning  
10 Director and the Assessor-Recorder to execute the historical property contract and record the  
11 historical property contract.

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