

File No. 191064

Committee Item No. 2

Board Item No. 16

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight

Date: Nov. 21, 2019

Board of Supervisors Meeting:

Date: Dec. 10, 2019

#### Cmte Board

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/>            | <input type="checkbox"/>            | Motion                                       |
| <input checked="" type="checkbox"/> | <input checked="" 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 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 checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | DRAFT Mills Act Agreement                    |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Award Letter                                 |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Mills Act Application Docs                   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Public Correspondence                        |

#### OTHER

- |                                     |                                     |   |
|-------------------------------------|-------------------------------------|---|
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <u>Planning Presentation – November 21, 2019</u>      |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Planning Case Report – October 2, 2019</u>         |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>HPC Reso No. 1090 – October 2, 2019</u>            |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Assessor's Mills Act Valuation</u>                 |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Assessor's Updated Estimated Tax Savings Chart</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Transmittal Letter – October 15, 2019</u>          |

Prepared by: John Carroll

Date: Nov. 15, 2019

Prepared by: John Carroll

Date: Nov. 21, 2019

1 [Mills Act Historical Property Contract - 2251 Webster Street]

2  
3 **Resolution approving an historical property contract between Sally A. Sadosky**  
4 **Revocable Trust, the owner of 2251 Webster Street, and the City and County of San**  
5 **Francisco, under Administrative Code, Chapter 71; and authorizing the Planning**  
6 **Director and the Assessor-Recorder to execute and record the historical property**  
7 **contract.**

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

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

16 WHEREAS, Said determination is on file with the Clerk of the Board of Supervisors in  
17 File No. 191064, is incorporated herein by reference, and the Board herein affirms it; and

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

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

1           WHEREAS, 2251 Webster Street is designated as a Contributor to the Webster Street  
2 Historic District and thus qualifies as an historical property as defined in Administrative Code,  
3 Section 71.2; and

4           WHEREAS, A Mills Act application for an historical property contract has been  
5 submitted by Sally A. Sadosky Revocable Trust, the owner of 2251 Webster Street, detailing  
6 rehabilitation work and proposing a maintenance plan for the property; and

7           WHEREAS, As required by Administrative Code, Section 71.4(a), the application for  
8 the historical property contract for 2251 Webster Street was reviewed by the Assessor's Office  
9 and the Historic Preservation Commission; and

10           WHEREAS, The Assessor-Recorder has reviewed the historical property contract and  
11 has provided the Board of Supervisors with an estimate of the property tax calculations and  
12 the difference in property tax assessments under the different valuation methods permitted by  
13 the Mills Act in its report transmitted to the Board of Supervisors on October 15, 2019, which  
14 report is on file with the Clerk of the Board of Supervisors in File No. 191064 and is hereby  
15 declared to be a part of this Resolution as if set forth fully herein; and

16           WHEREAS, The Historic Preservation Commission recommended approval of the  
17 historical property contract in its Resolution No. 1090, including approval of the Rehabilitation  
18 Program and Maintenance Plan, attached to said Resolution, which is on file with the Clerk of  
19 the Board of Supervisors in File No. 191064 and is hereby declared to be a part of this  
20 Resolution as if set forth fully herein; and

21           WHEREAS, The draft historical property contract between Sally A. Sadosky Revocable  
22 Trust, the owner of 2251 Webster Street, and the City and County of San Francisco is on file  
23 with the Clerk of the Board of Supervisors in File No. 191064 and is hereby declared to be a  
24 part of this Resolution as if set forth fully herein; and

1           WHEREAS, The Board of Supervisors has conducted a public hearing pursuant to  
2 Administrative Code, Section 71.4(d), to review the Historic Preservation Commission's  
3 recommendation and the information provided by the Assessor's Office in order to determine  
4 whether the City should execute the historical property contract for 2251 Webster Street; and

5           WHEREAS, The Board of Supervisors has balanced the benefits of the Mills Act to the  
6 owner of 2251 Webster Street with the cost to the City of providing the property tax reductions  
7 authorized by the Mills Act, as well as the historical value of 2251 Webster Street and the  
8 resultant property tax reductions, and has determined that it is in the public interest to enter  
9 into a historical property contract with the applicants; now, therefore, be it

10           RESOLVED, That the Board of Supervisors hereby approves the historical property  
11 contract between Sally A. Sadosky Revocable Trust, the owner of 2251 Webster Street, and  
12 the City and County of San Francisco; and, be it

13           FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the Planning  
14 Director and the Assessor-Recorder to execute the historical property contract and record the  
15 historical property contract.

# 2019 Mills Act Contracts

Government Audit and Oversight Committee Review

November 21, 2019



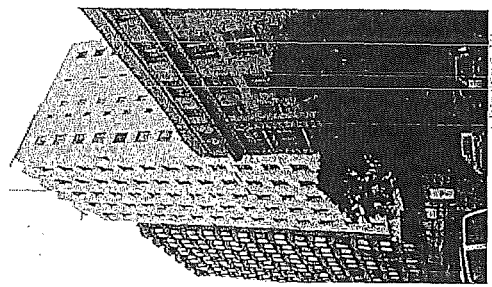
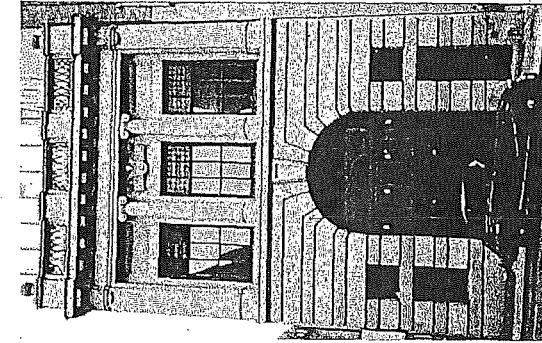
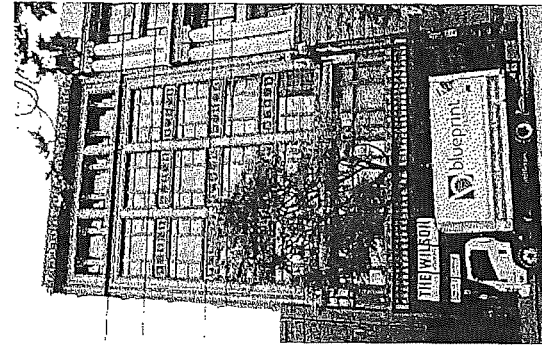
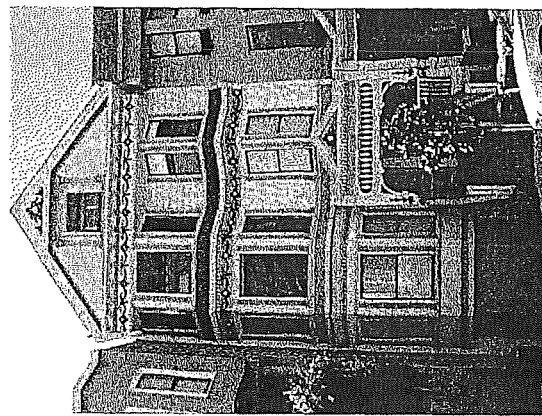
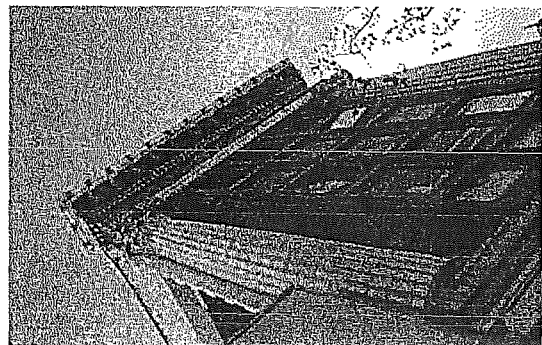
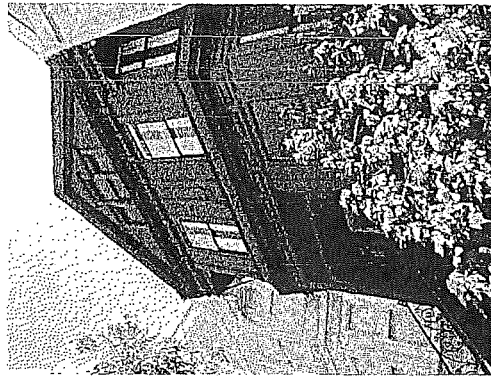
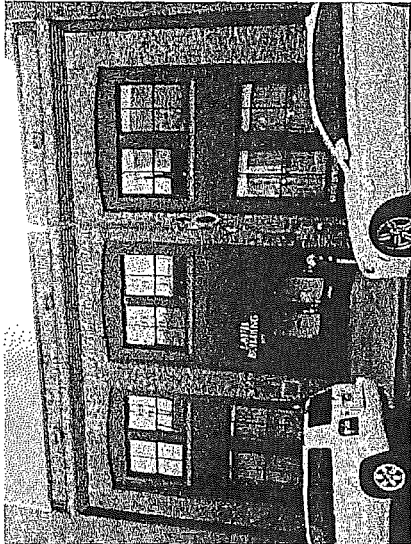
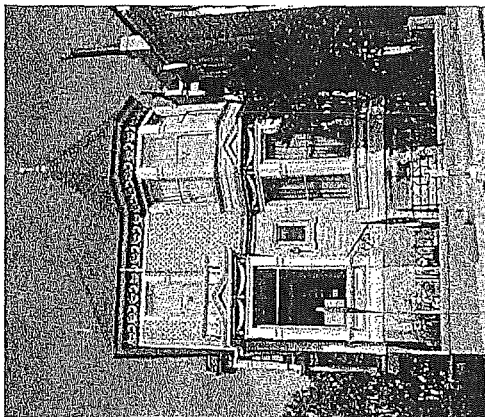
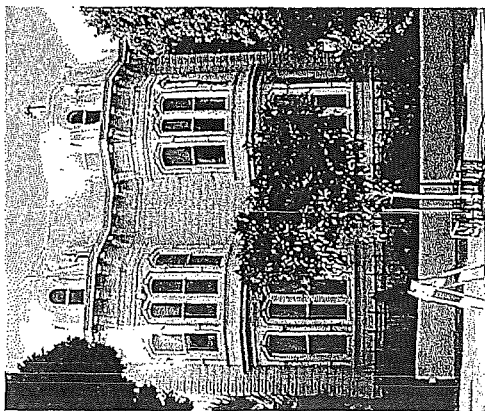
SAN FRANCISCO  
**PLANNING DEPARTMENT**

# What is the Mills Act?

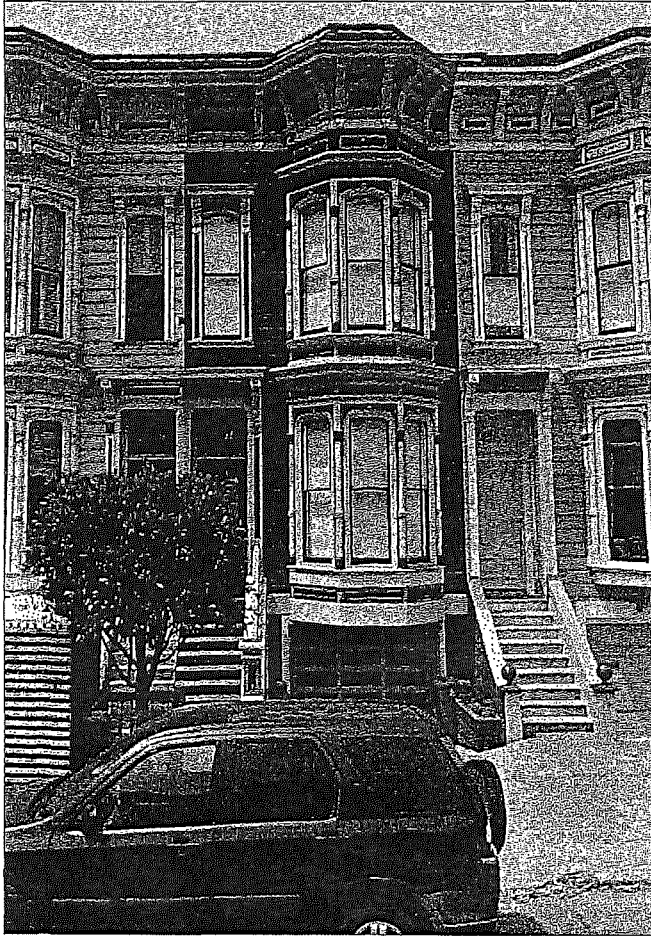
- California's leading financial incentive program for historic preservation since 1972.
- Contract between the City and property owner that allows for a potential reduction in property taxes.
- Tax savings will be used to offset cost of rehabilitation, restoration, and maintenance work in conformance with the Secretary's Standards.
- Only local financial incentive program for restoring, rehabilitating, and maintaining eligible properties to promote appreciation of the City's architecture, history, and culture.



# Active Mills Act Contracts



2251 Webster Street (built c. 1900)  
Contributor to Webster Street Historic District  
District 2



- Estimated Property Tax Savings of \$14,184 (a 66.37%% reduction from factored base year value)
- Rehabilitation work is estimated to cost \$113,610 over ten years
- Maintenance work is estimated to cost \$2,880 annually





1401 Howard Street (built 1913)  
Landmark No. 120, Saint Joseph's Church  
District 6



- Estimated Property Tax Savings of \$66,974 (a 31.20% reduction from factored base year value)
- Rehabilitation work is estimated to cost \$291,065 over ten years
- Maintenance work is estimated to cost \$31,040 annually

1139



64 Potomac Street (built 1899)  
Duboce Park Historic District  
District 8

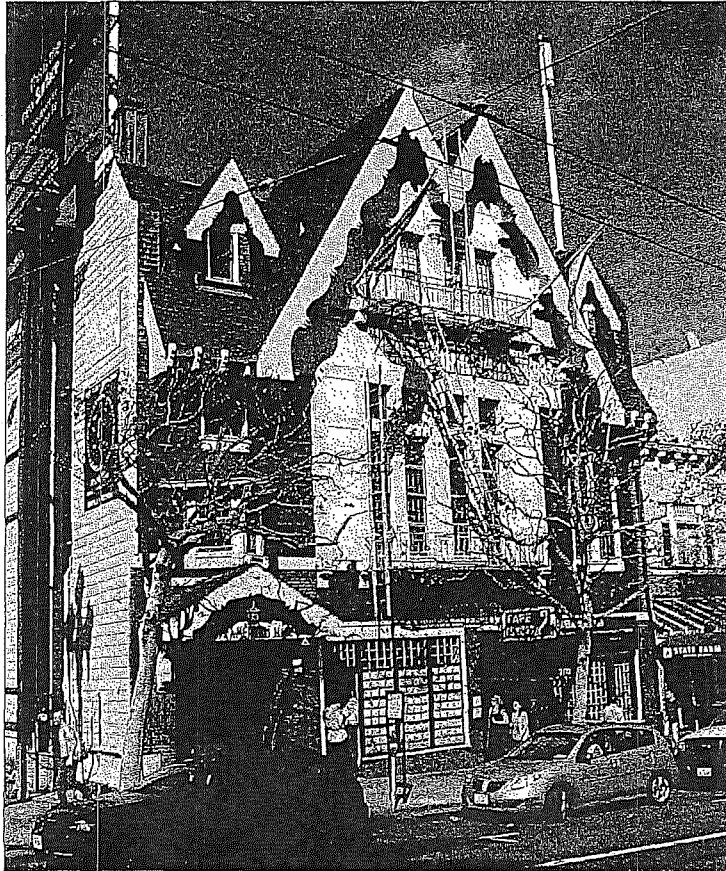


- Estimated Property Tax Savings of \$22,679 (a 76.47% reduction from factored base year value)
- Rehabilitation work is estimated to cost \$126,035 over ten years
- Maintenance work is estimated to cost \$4,000 annually

1140



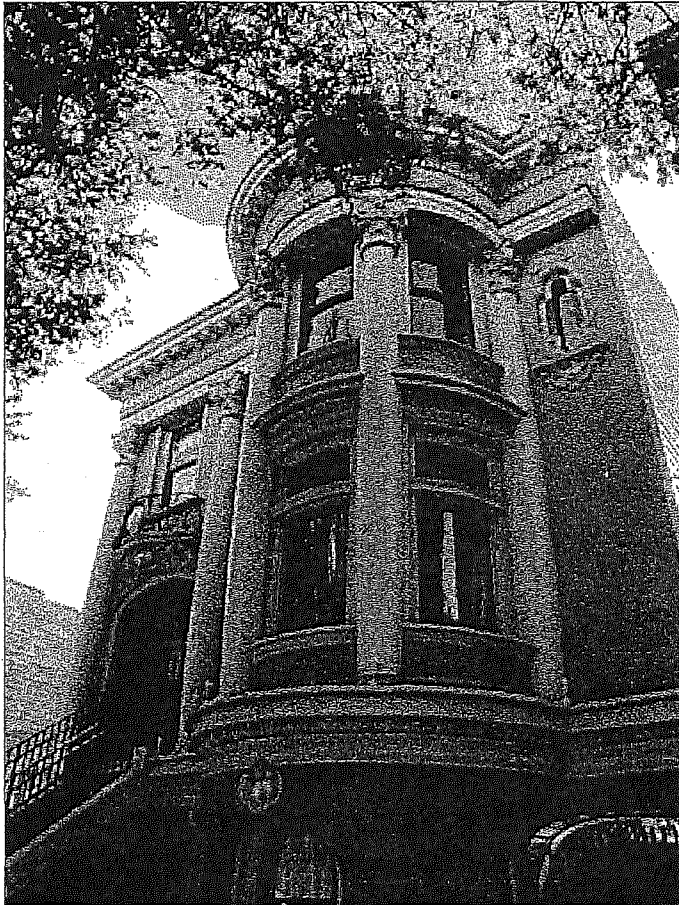
2168 Market Street (built 1907)  
Landmark No. 267, Swedish American Hall Building  
District 8



- Estimated Property Tax Savings of \$0 (a 0.00% reduction from factored base year value)
- Rehabilitation work is estimated to cost \$95,160 over ten years
- Maintenance work is estimated to cost \$7,500 annually



2731-2735 Folsom Street (built 1900)  
Landmark No. 276, Gaughran House



- Estimated Property Tax Savings of \$35,495 (a 49.46% reduction from factored base year value)
- Rehabilitation work is estimated to cost \$305,573 over ten years
- Maintenance work is estimated to cost \$5,148 annually



Recording Requested by, and  
when recorded, send notice to:  
Shannon Ferguson  
1650 Mission Street, Suite 400  
San Francisco, CA 94103-2414

## CALIFORNIA MILLS ACT HISTORIC PROPERTY AGREEMENT

THIS AGREEMENT is entered into by and between the City and County of San Francisco, a California municipal corporation ("City") and Sally A. Sadosky Revocable Trust ("Owner").

### RECITALS

Owner is the owner of the property located at 2251 Webster Street, in San Francisco, California (Block 0612, Lot 001A). The building located at 2251 Webster Street is designated as a contributor to the Webster Street Historic District pursuant to Article 10 of the Planning Code, and is also known as the "Historic Property". The Historic Property is a Qualified Historic Property, as defined under California Government Code Section 50280.1.

Owner desires to execute a rehabilitation and ongoing maintenance project for the Historic Property. Owner's application calls for the rehabilitation and restoration of the Historic Property according to established preservation standards, which it estimates will cost one hundred twenty six thousand two hundred sixty dollars (\$126,260.00). (See Rehabilitation Plan, Exhibit A.) Owner's application calls for the maintenance of the Historic Property according to established preservation standards, which is estimated will cost approximately two thousand eight hundred eighty dollars (\$2,880.00) annually (See Maintenance Plan, Exhibit B).

The State of California has adopted the "Mills Act" (California Government Code Sections 50280-50290, and California Revenue & Taxation Code, Article 1.9 [Section 439 et seq.]) authorizing local governments to enter into agreements with property Owners to reduce their property taxes, or to prevent increases in their property taxes, in return for improvement to and maintenance of historic properties. The City has adopted enabling legislation, San Francisco Administrative Code Chapter 71, authorizing it to participate in the Mills Act program.

Owner desires to enter into a Mills Act Agreement (also referred to as a "Historic Property Agreement") with the City to help mitigate anticipated expenditures to restore and maintain the Historic Property. The City is willing to enter into such Agreement to mitigate these expenditures and to induce Owner to restore and maintain the Historic Property in excellent condition in the future.

NOW, THEREFORE, in consideration of the mutual obligations, covenants, and conditions contained herein, the parties hereto do agree as follows:

1. Application of Mills Act. The benefits, privileges, restrictions and obligations provided for in the Mills Act shall be applied to the Historic Property during the time that this Agreement is in effect commencing from the date of recordation of this Agreement.
2. Rehabilitation of the Historic Property. Owner shall undertake and complete the work set forth in Exhibit A ("Rehabilitation Plan") attached hereto according to certain standards and

requirements. Such standards and requirements shall include, but not be limited to: the Secretary of the Interior's Standards for the Treatment of Historic Properties ("Secretary's Standards"); the rules and regulations of the Office of Historic Preservation of the California Department of Parks and Recreation ("OHP Rules and Regulations"); the State Historical Building Code as determined applicable by the City; all applicable building safety standards; and the requirements of the Historic Preservation Commission, the Planning Commission, and the Board of Supervisors, including but not limited to any Certificates of Appropriateness approved under Planning Code Article 10. The Owner shall proceed diligently in applying for any necessary permits for the work and shall apply for such permits within no more than six (6) months after recordation of this Agreement, shall commence the work within six (6) months of receipt of necessary permits, and shall complete the work within three (3) years from the date of receipt of permits. Upon written request by the Owner, the Zoning Administrator, at his or her discretion, may grant an extension of the time periods set forth in this paragraph. Owner may apply for an extension by a letter to the Zoning Administrator, and the Zoning Administrator may grant the extension by letter without a hearing. Work shall be deemed complete when the Director of Planning determines that the Historic Property has been rehabilitated in accordance with the standards set forth in this Paragraph. Failure to timely complete the work shall result in cancellation of this Agreement as set forth in Paragraphs 12 and 13 herein.

3. Maintenance. Owner shall maintain the Historic Property during the time this Agreement is in effect in accordance with the standards for maintenance set forth in Exhibit B ("Maintenance Plan"), the Secretary's Standards; the OHP Rules and Regulations; the State Historical Building Code as determined applicable by the City; all applicable building safety standards; and the requirements of the Historic Preservation Commission, the Planning Commission, and the Board of Supervisors, including but not limited to any Certificates of Appropriateness approved under Planning Code Article 10.

4. Damage. Should the Historic Property incur damage from any cause whatsoever, which damages fifty percent (50%) or less of the Historic Property, Owner shall replace and repair the damaged area(s) of the Historic Property. For repairs that do not require a permit, Owner shall commence the repair work within thirty (30) days of incurring the damage and shall diligently prosecute the repair to completion within a reasonable period of time, as determined by the City. Where specialized services are required due to the nature of the work and the historic character of the features damaged, "commence the repair work" within the meaning of this paragraph may include contracting for repair services. For repairs that require a permit(s), Owner shall proceed diligently in applying for any necessary permits for the work and shall apply for such permits within no more than sixty (60) days after the damage has been incurred, commence the repair work within one hundred twenty (120) days of receipt of the required permit(s), and shall diligently prosecute the repair to completion within a reasonable period of time, as determined by the City. Upon written request by the Owner, the Zoning Administrator, at his or her discretion, may grant an extension of the time periods set forth in this paragraph. Owner may apply for an extension by a letter to the Zoning Administrator, and the Zoning Administrator may grant the extension by letter without a hearing. All repair work shall comply with the design and standards established for the Historic Property in Exhibits A and B attached hereto and Paragraph 3 herein. In the case of damage to twenty percent (20%) or more of the Historic Property due to a catastrophic event, such as an earthquake, or in the case of damage from any cause whatsoever that destroys more than fifty percent (50%) of the Historic Property, the City and Owner may mutually agree to terminate this Agreement. Upon such termination, Owner shall not be obligated to pay the cancellation fee set forth in Paragraph 13 of this Agreement. Upon such termination, the City shall assess the full value of the Historic Property without regard to any restriction imposed upon the Historic Property by this Agreement and Owner shall pay property taxes to the City based upon the valuation of the Historic Property as of the date of termination.

5. Insurance. Owner shall secure adequate property insurance to meet Owner's repair and replacement obligations under this Agreement and shall submit evidence of such insurance to the City upon request.

6. Inspections and Compliance Monitoring. Prior to entering into this Agreement and every five years thereafter, and upon seventy-two (72) hours advance notice, Owner shall permit any representative of the City, the Office of Historic Preservation of the California Department of Parks and Recreation, or the State Board of Equalization, to inspect of the interior and exterior of the Historic Property, to determine Owner's compliance with this Agreement. Throughout the duration of this Agreement, Owner shall provide all reasonable information and documentation about the Historic Property demonstrating compliance with this Agreement, as requested by any of the above-referenced representatives.

7. Term. This Agreement shall be effective upon the date of its recordation and shall be in effect for a term of ten years from such date ("Term"). As provided in Government Code section 50282, one year shall be added automatically to the Term, on each anniversary date of this Agreement, unless notice of nonrenewal is given as set forth in Paragraph 9 herein.

8. Valuation. Pursuant to Section 439.4 of the California Revenue and Taxation Code, as amended from time to time, this Agreement must have been signed, accepted and recorded on or before the lien date (January 1) for a fiscal year (the following July 1-June 30) for the Historic Property to be valued under the taxation provisions of the Mills Act for that fiscal year.

9. Notice of Nonrenewal. If in any year of this Agreement either the Owner or the City desire not to renew this Agreement, that party shall serve written notice on the other party in advance of the annual renewal date. Unless the Owner serves written notice to the City at least ninety (90) days prior to the date of renewal or the City serves written notice to the Owner sixty (60) days prior to the date of renewal, one year shall be automatically added to the Term of the Agreement. The Board of Supervisors shall make the City's determination that this Agreement shall not be renewed and shall send a notice of nonrenewal to the Owner. Upon receipt by the Owner of a notice of nonrenewal from the City, Owner may make a written protest. At any time prior to the renewal date, City may withdraw its notice of nonrenewal. If either party serves notice of nonrenewal of this Agreement, this Agreement shall remain in effect for the balance of the period remaining since the original execution or the last renewal of the Agreement, as the case may be. Thereafter, the Owner shall pay property taxes to the City without regard to any restriction imposed on the Historic Property by this Agreement, and based upon the Assessor's determination of the fair market value of the Historic Property as of expiration of this Agreement.

10. Payment of Fees. As provided for in Government Code Section 50281.1 and San Francisco Administrative Code Section 71.6, upon filing an application to enter into a Mills Act Agreement with the City, Owner shall pay the City the reasonable costs related to the preparation and approval of the Agreement. In addition, Owner shall pay the City for the actual costs of inspecting the Historic Property, as set forth in Paragraph 6 herein.

11. Default. An event of default under this Agreement may be any one of the following:

(a) Owner's failure to timely complete the rehabilitation work set forth in Exhibit A, in accordance with the standards set forth in Paragraph 2 herein;

(b) Owner's failure to maintain the Historic Property as set forth in Exhibit B, in accordance with the requirements of Paragraph 3 herein;

(c) Owner's failure to repair any damage to the Historic Property in a timely manner, as provided in Paragraph 4 herein;

- (d) Owner's failure to allow any inspections or requests for information, as provided in Paragraph 6 herein;
- (e) Owner's failure to pay any fees requested by the City as provided in Paragraph 10 herein;
- (f) Owner's failure to maintain adequate insurance for the replacement cost of the Historic Property, as required by Paragraph 5 herein; or
- (g) Owner's failure to comply with any other provision of this Agreement.

An event of default shall result in Cancellation of this Agreement as set forth in Paragraphs 12 and 13 herein, and payment of the Cancellation Fee and all property taxes due upon the Assessor's determination of the full value of the Historic Property as set forth in Paragraph 13 herein. In order to determine whether an event of default has occurred, the Board of Supervisors shall conduct a public hearing as set forth in Paragraph 12 herein prior to cancellation of this Agreement.

12. Cancellation. As provided for in Government Code Section 50284, City may initiate proceedings to cancel this Agreement if it makes a reasonable determination that Owner has breached any condition or covenant contained in this Agreement, has defaulted as provided in Paragraph 11 herein, or has allowed the Historic Property to deteriorate such that the safety and integrity of the Historic Property is threatened or it would no longer meet the standards for a Qualified Historic Property. In order to cancel this Agreement, City shall provide notice to the Owner and to the public and conduct a public hearing before the Board of Supervisors as provided for in Government Code Section 50285. The Board of Supervisors shall determine whether this Agreement should be cancelled.

13. Cancellation Fee. If the City cancels this Agreement as set forth in Paragraph 12 above, and as required by Government Code Section 50286, Owner shall pay a Cancellation Fee of twelve and one-half percent (12.5%) of the fair market value of the Historic Property at the time of cancellation. The City Assessor shall determine fair market value of the Historic Property without regard to any restriction imposed on the Historic Property by this Agreement. The Cancellation Fee shall be paid to the City Tax Collector at such time and in such manner as the City shall prescribe. As of the date of cancellation, the Owner shall pay property taxes to the City without regard to any restriction imposed on the Historic Property by this Agreement and based upon the Assessor's determination of the fair market value of the Historic Property as of the date of cancellation.

14. Enforcement of Agreement. In lieu of the above provision to cancel the Agreement, the City may bring an action to specifically enforce or to enjoin any breach of any condition or covenant of this Agreement. Should the City determine that the Owner has breached this Agreement, the City shall give the Owner written notice by registered or certified mail setting forth the grounds for the breach. If the Owner does not correct the breach, or do not undertake and diligently pursue corrective action to the reasonable satisfaction of the City within thirty (30) days from the date of receipt of the notice, then the City may, without further notice, initiate default procedures under this Agreement as set forth in Paragraph 12 and bring any action necessary to enforce the obligations of the Owner set forth in this Agreement. The City does not waive any claim of default by the Owner if it does not enforce or cancel this Agreement.

15. Indemnification. The Owner shall indemnify, defend, and hold harmless the City and all of its boards, commissions, departments, agencies, agents and employees (individually and collectively, the "City") from and against any and all liabilities, losses, costs, claims, judgments, settlements, damages, liens, fines, penalties and expenses incurred in connection with or arising in whole or in part from: (a) any accident, injury to or death of a person, loss of or damage to property occurring in or about the Historic Property; (b) the use or occupancy of the Historic Property by the Owner, their Agents or Invitees; (c) the condition of the Historic Property; (d)



any construction or other work undertaken by Owner on the Historic Property; or (e) any claims by unit or interval Owner for property tax reductions in excess those provided for under this Agreement. This indemnification shall include, without limitation, reasonable fees for attorneys, consultants, and experts and related costs that may be incurred by the City and all indemnified parties specified in this Paragraph and the City's cost of investigating any claim. In addition to Owner's obligation to indemnify City, Owner specifically acknowledges and agrees that they have an immediate and independent obligation to defend City from any claim that actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false, or fraudulent, which obligation arises at the time such claim is tendered to Owner by City, and continues at all times thereafter. The Owner's obligations under this Paragraph shall survive termination of this Agreement.

16. Eminent Domain. In the event that a public agency acquires the Historic Property in whole or part by eminent domain or other similar action, this Agreement shall be cancelled and no cancellation fee imposed as provided by Government Code Section 50288.

17. Binding on Successors and Assigns. The covenants, benefits, restrictions, and obligations contained in this Agreement shall run with the land and shall be binding upon and inure to the benefit of all successors in interest and assigns of the Owner. Successors in interest and assigns shall have the same rights and obligations under this Agreement as the original Owner who entered into the Agreement.

18. Legal Fees. In the event that either the City or the Owner fails to perform any of their obligations under this Agreement or in the event a dispute arises concerning the meaning or interpretation of any provision of this Agreement, the prevailing party may recover all costs and expenses incurred in enforcing or establishing its rights hereunder, including reasonable attorneys' fees, in addition to court costs and any other relief ordered by a court of competent jurisdiction. Reasonable attorneys' fees of the City's Office of the City Attorney shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney.

19. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of California.

20. Recordation. Within 20 days from the date of execution of this Agreement, the parties shall cause this Agreement to be recorded with the Office of the Recorder of the City and County of San Francisco. From and after the time of the recordation, this recorded Agreement shall impart notice to all persons of the parties' rights and obligations under the Agreement, as is afforded by the recording laws of this state.

21. Amendments. This Agreement may be amended in whole or in part only by a written recorded instrument executed by the parties hereto in the same manner as this Agreement.

22. No Implied Waiver. No failure by the City to insist on the strict performance of any obligation of the Owner under this Agreement or to exercise any right, power, or remedy arising out of a breach hereof shall constitute a waiver of such breach or of the City's right to demand strict compliance with any terms of this Agreement.

23. Authority. If the Owner signs as a corporation or a partnership, each of the persons executing this Agreement on behalf of the Owner does hereby covenant and warrant that such entity is a duly authorized and existing entity, that such entity has and is qualified to do business in California, that the Owner has full right and authority to enter into this Agreement, and that each and all of the persons signing on behalf of the Owner is authorized to do so.

24. Severability. If any provision of this Agreement is determined to be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and each other provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

25. Tropical Hardwood Ban. The City urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood or tropical hardwood product.

26. Charter Provisions. This Agreement is governed by and subject to the provisions of the Charter of the City.

27. Signatures. This Agreement may be signed and dated in parts

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as follows:

CITY AND COUNTY OF SAN FRANCISCO:

By: \_\_\_\_\_  
Carmen Chu, Assessor-Recorder

DATE: \_\_\_\_\_

By: \_\_\_\_\_  
John Rahaim, Director of Planning

DATE: \_\_\_\_\_

APPROVED AS TO FORM:  
DENNIS J. HERRERA  
CITY ATTORNEY

By: \_\_\_\_\_  
Andrea Ruiz-Esquide, Deputy City Attorney

DATE: \_\_\_\_\_

OWNERS

By: \_\_\_\_\_  
Sally A Sadosky, Owner

DATE: \_\_\_\_\_

OWNER(S)' SIGNATURE(S) MUST BE NOTARIZED.  
ATTACH PUBLIC NOTARY FORMS HERE.

## Exhibit A: Rehabilitation/Restoration Plan: 2251 Webster Street

<b>1</b>	<b>Scope Number</b>	<b>Building Feature: West and NW Exterior (Back of House)</b>
Type: Rehab/Restoration, Completed		
Contract Year for Work Completion: 2019		
Total Cost: \$12,650		
<b>Description of Work: Exterior Restoration and Painting</b>		
<p>Exterior painting was required due to old age (more than 8 years ago). Also water was noted coming in through the west facing window on the second floor and the doors on the west side first floor. Both restoration by fixing the leak as well as prepping and painting was required.</p> <p>Invoice of work details attached.</p>		

<b>2</b>	<b>Scope Number</b>	<b>Building Feature: Second story Windows facing West</b>
Type: Rehab/Restoration, Proposed		
Contract Year for Work Completion: 2022		
Total Cost: \$14,000		
<b>Description of Work: Replacement of Windows</b>		
<p>Replace the second story west facing windows in kind. The windows are regularly maintained, repaired and painted however full replacement is necessary due to extensive dry rot. Replacement windows will match profile, materials and design of original windows.</p> <p>Estimate attached + an additional \$2k for painting which is not included in this bid.</p> <p><i>Work will be done in accordance with the National Park Service's Preservation Brief #10: Exterior Paint Problems on Historic Woodwork and Preservation Brief #47: Maintaining the Exterior of Small and Medium Size Historic Buildings.</i></p>		

<b>3</b>	<b>Scope Number</b>	<b>Building Feature: Interior plaster and lathe replacement</b>
Type: Rehab/Restoration, Proposed		
Contract Year for Work Completion: 2022		
Total Cost: \$1500		
<b>Description of Work: Repair the interior plaster and lathe</b>		
<p>Work to be done in conjunction with the window replacement on west elevation. Clean and repair the plaster and lathe that was damaged due to a recently repaired leak on the exterior of the building.</p> <p>Estimate attached.</p> <p><i>Work will be done in conformance with the Secretary of the Interior's Standards and in accordance with the National Park Service's Preservation Brief #21: Repairing Historic Flat Plaster Walls and Ceilings</i></p>		

<b>4</b>	<b>Scope Number</b>	<b>Building Feature: Windows facing East</b>
Type: Rehab/Restoration, Proposed		
Contract Year for Work Completion: 2023		
Total Cost: \$24,000		
<b>Description of Work: Replacement of Windows</b>		
<p>Replace all east facing windows in kind + 1 first story window in the west facing window well in kind.. The windows are regularly maintained, repaired and painted however full replacement is necessary due to extensive dry rot. Replacement windows will match profile, materials and design of original windows.</p> <p>Estimate attached + an additional \$2k for painting which is not included in this bid.</p> <p><i>Work will be done in accordance with the National Park Service's Preservation Brief #10: Exterior Paint Problems on Historic Woodwork and Preservation Brief #47: Maintaining the Exterior of Small and Medium Size Historic Buildings.</i></p>		

<b>5</b> Scope Number      Building Feature: Roof
Type: Rehab/Restoration, Proposed
Contract Year for Work Completion: 2025
Total Cost: \$3200
<b>Description of Work: Repair Roof</b>
<ol style="list-style-type: none"> <li>1) Clean up drain and entire roof</li> <li>2) Seal all nail exposures with strong roof chalking</li> <li>3) Seal all roof penetrations such as roof jacks, air vents, chimney</li> <li>4) Replace one air vent flashing that is installed improperly. It needs a roof membrane torch down to prevent future leaks.</li> </ol> <p>Estimate for work in 2025 is attached</p> <p><i>All work will be done in conformance with the Secretary of the Interior's Standards.</i></p>

<b>6</b> Scope Number      Building Feature: East Exterior (front of the house)
Type: Rehab/Restoration, Proposed
Contract Year for Work Completion: 2026
Total Cost: \$31,910
<b>Description of Work: Restoration and Painting the Front Exterior</b>
<p>Restoration work will include: replace flashing on five of the window ledges, two bay window ledges and front door ledge to prevent further dry rot. Replacing several of the trim pieces where moisture is entering and causing dry rot. Pieces will be replicated to be exactly as original</p> <p>Painting of work will include: Sanding and prep weak spots to avoid future water and dry rot. Bondo and/or Caulk all seams on trim pieces, windows, doors as necessary, putty all nail holes. Paint front door, make any necessary restoration work to the front door.</p> <p>Estimates based on if the work was to be done in 2019: Scaffolding estimate \$1,960; Restoration estimate: \$6,500. Painting estimate to match current 7 color scheme \$23,450 Note, Invoice attached from 2014. Similar scope of work. \$21,609.</p>

*Work will be done in accordance with the National Park Service's Preservation Brief #10: Exterior Paint Problems on Historic Woodwork and Preservation Brief #47: Maintaining the Exterior of Small and Medium Size Historic Buildings.*

**7 Scope Number Building Feature: West Facing Exterior door to Garage**

Type: Rehab/Restoration, Proposed

Contract Year for Work Completion: 2028

Total Cost: \$2500

**Description of Work: Replace Door leading into the back of the garage**

A contractor recently inspected the exterior rear door to the garage and highly recommended having it replaced due to dry rot and safety. New door will be a simple wood door that is compatible with the design of the building and the historic district.

See the window estimate from Ocean Window and Door. Door estimate is \$1500 + labor which is all included in the window bid.

**8 Scope Number Building Feature: Roof**

Type: Rehab/Restoration, Proposed

Contract Year for Work Completion: 2029

Total Cost: \$20,000

**Description of Work: Roof Replacement**

A full roof replacement in kind plus and additional restoration work needed as determined at that time.

*Work will be done in conformance with the Secretary of the Interior's Standards.*

<b>9</b>	<b>Scope Number</b>	<b>Building Feature: Front Door (which is original)</b>
Type: Rehab/Restoration, Proposed		
Contract Year for Work Completion: 2029		
Total Cost: \$16,500		
<b>Description of Work: Replace or continually repair the Front Door</b>		
<p>Replace original front door with new custom wood door to replicate the existing door. Current door is regularly painted and repaired as needed, but due to age, the wood is splitting and the seams are coming apart a little bit more each year.</p> <p>(Estimate based on estimate provide by neighbor who has identical door)  <i>Work will be done in conformance with the Secretary of the Interior's Standards.</i></p>		

## Exhibit B: Maintenance Plan: 2251 Webster Street

<b>I Scope Number</b>	<b>Building Feature:</b> Front and rear exterior, East and West Facing
<b>Type:</b> Maintenance: Completed and Proposed	
<b>Contract Year for Work Completion:</b> 2019 and each year when major painting work is not being scheduled	
<b>Total Cost:</b> \$1,800 per year once a year (minus the years where painting is happening)	
<b>Description of Work:</b> Professional wash Front and Rear Exterior Building	
Professional wash on the exterior of the building	
Estimate from 2017 attached and only for the front of the house. Note: 2018 front washing only was paid for by neighbor due to their massive construction project.	
All washing will be performed using the gentlest means possible.	
<i>Work will be done in conformance with the Secretary of the Interior's Standards and Preservation Brief #47: Maintaining the Exterior of Small and Medium Size Historic Buildings.</i>	



<b>2</b>	<b>Scope Number</b>	<b>Building Feature:</b> Front and rear exterior: East and West Facing
<b>Type:</b> Maintenance: Proposed		
<b>Contract Year for Work Completion:</b> 2020 and each year when major painting work is not being scheduled		
<b>Total Cost:</b> \$600		
<b>Description of Work:</b> <b>Inspect all the wooden elements of the house when the washing is being performed</b>		
<p>When doing the professional washing, the painter and his crew agreed to inspect the front and back of the house. They will inspect the wooden elements of the façade and windows looking for damage or deterioration. If found, the extent and nature of the damage will be assessed. Any needed repairs will avoid altering, removing or obscuring character- defining features of the building. If any elements are determined to be damaged or deteriorated beyond repair, replacements will be made in kind (e.g., wood for wood). This maintenance routine will be informed by the guidance outlined in the National Park Service's Preservation Brief 47: Maintaining the Exterior of Small and Medium Size Historic Buildings.</p> <p>The estimate for the inspection only is an annotation on Maintenance Scope 1 estimate as a result of a phone conversation with my painter/contractor.</p> <p><i>Work will be done in conformance with the Secretary of the Interior's Standards and Preservation Brief #47: Maintaining the Exterior of Small and Medium Size Historic Buildings and National Park Service's Preservation Brief #10: Exterior Paint Problems on Historic Woodwork.</i></p>		

<b>3 Scope Number</b> <b>Building Feature: Front and Rear Windows</b>
Type: Maintenance, Proposed
Contract Year for Work Completion: 2019 and each year twice a year
Total Cost: \$480 each year (\$240 twice a year)
<b>Description of Work: Window Washing twice a year</b>
<p>Professionally wash every window and check for leaks.</p> <p>See estimate attached.</p> <p><i>Work will be done in conformance with the Secretary of the Interior's Standards and Preservation Brief #47: Maintaining the Exterior of Small and Medium Size Historic Buildings.</i></p>

*Case No.:* 2019-006323MLS  
*Project Address:* 2251 Webster Street (District 2)  
*Landmark District:* Contributor to the Webster Street Historic District  
*Zoning:* RH-2 (Residential-House, Two-Family District)  
*Height & Bulk:* 40-X  
*Block/Lot:* 0612/001A  
*Applicant:* Sally A. Sadosky Revocable Trust.  
2251 Webster Street  
San Francisco, CA 94115



# SAN FRANCISCO PLANNING DEPARTMENT

## Mills Act Historical Property Contracts Case Report

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
415.558.6378

Fax:  
415.558.6409

Planning  
Information:  
415.558.6377

*Hearing Date:* October 2, 2019  
*Staff Contact:* Michelle Taylor – (415) 575-9197  
Michelle Taylor@sfgov.org  
*Reviewed By:* Elizabeth Gordon-Jonckheer – (415) 575-8728  
Elizabeth Gordon-Jonckheer @sfgov.org

a. *Filing Date:* May 1, 2019  
*Case No.:* 2019-006323MLS  
*Project Address:* 2251 Webster Street (District 2)  
*Landmark District:* Contributor to the Webster Street Historic District  
*Zoning:* RH-2 (Residential-House, Two-Family District)  
*Height & Bulk:* 40-X  
*Block/Lot:* 0612/001A  
*Applicant:* Sally A. Sadosky Revocable Trust  
2251 Webster Street  
San Francisco, CA 94115

b. *Filing Date:* May 1, 2019  
*Case No.:* 2019-006384MLS  
*Project Address:* 1401 Howard Street (District 6)  
*Landmark No.:* 120  
*Zoning:* RCD – Regional Commercial District  
*Height and Bulk:* 55/65-X  
*Block/Lot:* 3517/035  
*Applicant:* 1401 Howard LLC  
1401 Howard Street  
San Francisco, CA 94103

c. *Filing Date:* May 1, 2019  
*Case No.:* 2019-006322MLS  
*Project Address:* 64 Potomac Street (District 8)  
*Landmark District:* Contributor to the Duboce Park Historic District  
*Zoning:* RH-2 (Residential-House, Two-Family District)  
*Height and Bulk:* 40-X  
*Block/Lot:* 0866/014  
*Applicant:* Gustav Lindquist & Caroline Ingeborn  
64 Potomac Street  
San Francisco, CA 94117

Mill Act Applications  
October 2, 2019

2019-006323MLS (2251 Webster Street); 2019-006384MLS (1401 Howard Street); 2019-006323MLS (64 Potomac Street); 2019-005831MLS (2168 Market Street); 2019-006455MLS (2731-2735 Folsom Street);

- d. *Filing Date:* May 1, 2019  
*Case No.:* 2019-005831MLS  
*Project Address:* 2168 Market Street (District 8)  
*Landmark No.:* 267  
*Zoning:* NCT – Upper Market Neighborhood Commercial Transit  
*Height and Bulk:* 40/50-X  
*Block/Lot:* 3542/062  
*Applicant:* Swedish Society of San Francisco  
2168 Market Street  
San Francisco, CA 94114
- e. *Filing Date:* May 1, 2019  
*Case No.:* 2019-006455MLS  
*Project Address:* 2731-2735 Folsom Street (District 9)  
*Landmark No.:* 276  
*Zoning:* RH-2 – Residential-House, Two-Family  
*Height and Bulk:* 40-X  
*Block/Lot:* 3640/031  
*Applicant:* Adele Feng  
2733 Folsom Street  
San Francisco, CA 94110

## PROPERTY DESCRIPTIONS

- a. 2251 Webster Street: The subject property is located on the west side of Webster Street between Washington and Clay streets, Assessor's Block 0612, Lot 001A. The subject property is located within a RH-2 (Residential-House, Two-Family District) zoning district and a 40-X Height and Bulk district. The subject property is a contributing building to the Webster Street Historic District. It is a two-story, plus basement, wood-frame, single-family dwelling designed in the Italianate style and built in circa 1900.
- b. 1401 Howard Street: The subject property is located on the south corner of Howard and 10th Streets, Assessor's Block 3517, Lot 035. The subject property is located within an RCD (Regional Commercial District) zoning district and a 55/65-X Height and Bulk district. The subject property, historically known as St. Joseph's Church, is an Article 10 individual landmark (No. 120), located in the California Register Western SOMA Light Industrial and Residential Historic District, and added to the National Register of Historic Places in 1982. The subject property is a former Catholic church constructed in 1913 and designed in the Romanesque Revival style by architect John J. Foley.
- c. 64 Potomac Street: The subject property is located on the east side of Potomac Street between Waller Street and Duboce Park, Assessor's Block 0866 Lot 014. The subject property is located within a RH-2 (Residential-House, Two-Family District) zoning district and a 40-X Height and

Bulk district. The subject property is a contributing building to the Article 10 Duboce Park Historic District. It is a two story over garage, wood-frame, single-family dwelling built in 1899 and features a gable roof and bay window.

- d. 2168 Market Street: The subject property is located on the north side of Market Street between Sanchez and Church streets, Assessor's Block 3542 Lot 062. The subject property is located within an NCT (Upper Market Neighborhood Commercial Transit) zoning district and a 40/50-X Height and Bulk district. The subject property is an Article 10 individual landmark (No. 267). It is a three-story wood-frame commercial building constructed in 1907 and designed by master architect August Noridn.
- e. 2731-2735 Folsom Street: The subject property is located on the west side of Folsom Street between 23rd and 24th streets, Assessor's Block 3640, Lot 031. The subject property is located within the RH-2 (Residential House, Two Family) zoning district and 40-X Height and Bulk district. The subject property is a three-story, wood frame, three-unit residential building with a rectangular plan. The subject property is an Article 10 individual landmark building (No. 276). The subject property was designed in the Beaux-Arts style by architect James Francis Dunn (1874-1921) and constructed in 1900 for James Gaughran.

## PROJECT DESCRIPTION

This project is a Mills Act Historical Property Contract application.

## MILLS ACT REVIEW PROCESS

Once a Mills Act application is received, the matter is referred to the Historic Preservation Commission (HPC) for review. The HPC shall conduct a public hearing on the Mills Act application, historical property contract, and proposed rehabilitation and maintenance plan, and make a recommendation for approval or disapproval to the Board of Supervisors.

The Board of Supervisors will hold a public hearing to review and approve or disapprove the Mills Act application and contract. The Board of Supervisors shall conduct a public hearing to review the Historic Preservation Commission recommendation, information provided by the Assessor's Office, and any other information the Board requires in order to determine whether the City should execute a historical property contract for the subject property.

The Board of Supervisors shall have full discretion to determine whether it is in the public interest to enter into a Mills Act contract and may approve, disapprove, or modify and approve the terms of the contract. Upon approval, the Board of Supervisors shall authorize the Director of Planning and the Assessor-Recorder's Office to execute the historical property contract.

## MILLS ACT REVIEW PROCEDURES

The Historic Preservation Commission is requested to review and make recommendations on the following:

- The draft Mills Act Historical Property Contract between the property owner and the City and County of San Francisco.
- The proposed rehabilitation and maintenance plan.

The Historic Preservation Commission may also comment in making a determination as to whether the public benefit gained through restoration, continued maintenance and preservation of the property is sufficient to outweigh the subsequent loss of property taxes to the City.

## APPLICABLE PRESERVATION STANDARDS

Ordinance No. 191-96 amended the San Francisco Administrative Code by adding Chapter 71 to implement the California Mills Act, California Government Code Sections 50280 *et seq.* The Mills Act authorizes local governments to enter into contracts with private property owners who will rehabilitate, restore, preserve, and maintain a "qualified historical property." In return, the property owner enjoys a reduction in property taxes for a given period. The property tax reductions must be made in accordance with Article 1.9 (commencing with Section 439) of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code.

## TERM

Mills Act contracts must be made for a minimum term of ten years. The ten-year period is automatically renewed by one year annually to create a rolling ten-year term. One year is added automatically to the initial term of the contract on the anniversary date of the contract, unless notice of nonrenewal is given or the contract is terminated. If the City issues a notice of nonrenewal, then one year will no longer be added to the term of the contract on its anniversary date and the contract will only remain in effect for the remainder of its term. The City must monitor the provisions of the contract until its expiration and may terminate the Mills Act contract at any time if it determines that the owner is not complying with the terms of the contract or the legislation. Termination due to default immediately ends the contract term. Mills Act contracts remain in force when a property is sold.

## ELIGIBILITY

San Francisco Administrative Code Chapter 71, Section 71.2, defines a "qualified historic property" as one that is not exempt from property taxation and that is one of the following:

- (a) Individually listed in the National Register of Historic Places;
- (b) Listed as a contributor to an historic district included on the National Register of Historic Places;
- (c) Designated as a City landmark pursuant to San Francisco Planning Code Article 10;
- (d) Designated as contributory to a landmark district designated pursuant to San Francisco Planning Code Article 10; or
- (e) Designated as significant (Categories I or II) or contributory (Categories III or IV) to a conservation district designated pursuant to San Francisco Planning Code Article 11.

Mill Act Applications  
October 2, 2019

2019-006323MLS (2251 Webster Street); 2019-006384MLS (1401 Howard Street); 2019-  
006323MLS (64 Potomac Street); 2019-005831MLS (2168 Market Street);  
2019-006455MLS (2731-2735 Folsom Street);

All properties that are eligible under the criteria listed above must also meet a tax assessment value to be eligible for a Mills Act Contract. The tax assessment limits are listed below:

*Residential Buildings*

Eligibility is limited to a property tax assessment value of not more than \$3,000,000.

*Commercial, Industrial or Mixed-Use Buildings*

Eligibility is limited to a property tax assessment value of not more than \$5,000,000.

Properties may be exempt from the tax assessment values if it meets any one of the following criteria:

- The qualified historic property is an exceptional example of architectural style or represents a work of a master architect or is associated with the lives of persons important to local or national history; or
- Granting the exemption will assist in the preservation and rehabilitation of a historic structure (including unusual and/or excessive maintenance requirements) that would otherwise be in danger of demolition, deterioration, or abandonment;

Properties applying for a valuation exemption must provide evidence that it meets the exemption criteria, including a historic structure report to substantiate the exceptional circumstances for granting the exemption. The Historic Preservation Commission shall make specific findings in determining whether to recommend to the Board of Supervisors that the valuation exemption should be approved. Final approval of this exemption is under the purview of the Board of Supervisors.

## PRIORITY CRITERIA CONSIDERATIONS

Staff reviewed all applications on the merits of five Priority Consideration. The five priority considerations are:

**Necessity:** The project will require a financial incentive to help ensure the preservation of the property. This criterion will establish that the property is in danger of deterioration and in need of substantial rehabilitation and restoration that has significant associated costs. Properties with open complaints, enforcement cases or violations will not meet this criterion.

**Investment:** The project will result in additional private investment in the property other than for routine maintenance. This may include seismic retrofitting and substantial rehabilitation and restoration work. This criterion will establish that the owner is committed to investing in the restoration, rehabilitation and maintenance the property.

**Distinctiveness:** The project preserves a distinctive example of a property that is especially deserving of a contract due to its exceptional nature.

**Recently Designated City Landmarks:** properties that have been recently designated landmarks will be given priority consideration.



**Legacy Business:** The project will preserve a property at which a business included in the Legacy Business Registry is located. This criterion will establish that the owner is committed to preserving the property, including physical features that define the existing Legacy Business.

## PUBLIC/NEIGHBORHOOD INPUT

The Department has not received any public comment regarding the Mills Act Historical Property Contract.

## STAFF ANALYSIS

The Department received five Mills Act applications by the May 1, 2019 filing date. The Project Sponsors, Planning Department Staff, and the Office of the City Attorney have negotiated the five attached draft historical property contracts, which include a draft rehabilitation and maintenance plan for the historic building. Department Staff believes the draft historical property contracts and plans are adequate. Please see below for complete analysis.

- a. 2251 Webster Street: As detailed in the Mills Act application, the applicant proposes to rehabilitate and maintain the historic property. Staff determined that the proposed work, detailed in the attachments, is consistent with the Secretary of Interior's Standards for Rehabilitation.

The subject property is currently valued by the Assessor's Office as under \$3,000,000 (see attached Market Analysis and Income Approach reports) and did not require a Historic Structure Report.

The applicant completed some rehabilitation of the building in 2019, including dry rot repair and painting with an estimated cost of \$12,650. The proposed Rehabilitation Plan includes in kind window replacement, interior plaster and lathe repair from and exterior leak, in-kind replacement of the front and rear doors, roof repair and replacement, painting. Rehabilitation work is estimated to cost \$113,610 over ten years.

The proposed Maintenance Plan includes annual inspection of the wood siding, windows, and roof. Maintenance work is estimated to cost \$2,880 annually. Any needed repairs will be made in kind and will avoid altering, removing or obscuring character-defining features of the building.

No changes to the use of the property are proposed. Please refer to the attached Rehabilitation and Maintenance Plan for a full description of the proposed work. The attached draft historical property contract will help the applicant mitigate these expenditures and will induce the applicant to maintain the property in excellent condition in the future.

The subject property meets three of the five Priority Considerations: Necessity, Investment and Distinctiveness. The proposed rehabilitation will require significant associated costs to ensure the preservation of the subject property. The property owner will invest additional money towards

the rehabilitation other than for routine maintenance. Finally, the proposed rehabilitation project will preserve a distinctive example of a grouping of Italianate homes constructed circa 1900. The subject property does not meet the Recently Designated City Landmarks or the Legacy Business criteria. The building was designated an Article 10 landmark district in 1991 and therefore is not a recent landmark. A Legacy Business is not located at the subject property.

- b. 1401 Howard Street: As detailed in the Mills Act application, the applicant proposes to rehabilitate and maintain the historic property. Staff determined that the proposed work, detailed in the attachments, is consistent with the Secretary of Interior's Standards for Rehabilitation.

The subject property is currently valued by the Assessor's Office at over \$5,000,000 (see attached Market Analysis and Income Approach reports); therefore, an exemption from the tax assessment value is required. The subject property qualifies for an exemption as it is designated an individual landmark under Article 10 of the Planning Code. A Historic Structure Report was required in order to demonstrate that granting the exemption would assist in the preservation of a property that might otherwise be in danger of demolition, deterioration or abandonment.

In 2018, the applicant completed a full rehabilitation and restoration of the building and received final approval for the Federal Historic Preservation Tax Incentive in September 2018. Work included the restoration of exterior and interior finishes, seismic strengthening, repair of the slate roof, and restoration of the sheet metal domes. The cost of the completed work was approximately \$3,962,310.00.

Future rehabilitation and restoration scope items include full repainting of the interior and exterior. The estimated cost of the proposed rehabilitation work is \$291,065.00 over ten years.

The proposed Maintenance Plan includes annual inspection of exterior stucco, metal roof elements, windows, doors, and roof on a regular basis. The applicant will be maintaining interior character defining features identified in the National Register nomination, such as the entry lobby floors, plaster detailing, and woodwork. Maintenance work is estimated to cost \$31,040 annually. Any needed repairs will be made in kind and will avoid altering, removing or obscuring character-defining features of the building.

No changes to the use of the property are proposed. Please refer to the attached Rehabilitation and Maintenance Plan for a full description of the proposed work. The attached draft historical property contract will help the applicant mitigate these expenditures and will induce the applicant to maintain the property in excellent condition in the future.

The subject property meets two of the five Priority Considerations: Distinctiveness and Investment. The building represents a distinctive example of the Romanesque Revival architectural style. Completed in 2018, the applicant has invested in a full building restoration and rehabilitation scope, including seismic strengthening. The subject application does not meet the Necessity, Recently Designated Landmark, and Legacy Business criteria. The applicant completed a full building rehabilitation and restoration scope in 2018 and the building is in excellent condition; therefore, the application does not meet the Necessity criteria. The building

was designated an Article 10 landmark in 1980 and therefore is not a recent landmark. A Legacy Business is not located at the subject property.

- c. 64 Potomac Street: As detailed in the Mills Act application, the applicant proposes to rehabilitate and maintain the historic property. Staff determined that the proposed work, detailed in the attachments, is consistent with the Secretary of Interior's Standards for Rehabilitation.

The subject property is currently valued by the Assessor's Office as under \$3,000,000 (see attached Market Analysis and Income Approach reports) and did not require a Historic Structure Report.

The proposed Rehabilitation Plan includes seismic strengthening, roof replacement, wood siding repair and painting, front façade window repair, restoration of front stairs, front door and garage door replacement. Rehabilitation work is estimated to cost \$126,035 over ten years.

The proposed Maintenance Plan includes annual inspection of roof, gutters and downspouts, windows, doors, foundation, and wood siding and trim. Any needed repairs will be made in kind and will avoid altering, removing or obscuring character-defining features of the building. Maintenance work is estimated to cost approximately \$4,000 annually.

No changes to the use of the property are proposed. Please refer to the attached Rehabilitation and Maintenance Plan for a full description of the proposed work. The attached draft historical property contract will help the applicant mitigate these expenditures and will induce the applicant to maintain the property in excellent condition in the future.

The subject property meets three of the five Priority Considerations: Necessity, Investment and Distinctiveness. The proposed rehabilitation will require significant associated costs to ensure the preservation of the subject property. The property owner will invest additional money towards the rehabilitation other than for routine maintenance. Finally, the proposed rehabilitation project will preserve a distinctive example of Victorian style home. The subject property does not meet the Recently Designated City Landmarks or the Legacy Business criteria. The building was designated an Article 10 landmark district in 2013 and therefore is not a recent landmark. A Legacy Business is not located at the subject property.

- d. 2168 Market Street: As detailed in the Mills Act application, the applicant proposes to rehabilitate and maintain the historic property. Staff determined that the proposed work, detailed in the attachments, is consistent with the Secretary of Interior's Standards for Rehabilitation.

The subject property is currently valued by the Assessor's Office as under \$5,000,000 (see attached Market Analysis and Income Approach reports) and did not require a Historic Structure Report.

The proposed Rehabilitation Plan includes repair and restoration of the exterior front entry features such as terrazzo, doors, windows, and brick. Rehabilitation work is estimated to cost \$95,160 over ten years.

The proposed Maintenance Plan includes annual inspection of front façade, windows, interior wood elements, and roof. Any needed repairs resulting from inspection will be made in kind and will avoid altering, removing or obscuring character-defining features of the building. Maintenance work is estimated to cost approximately \$7,500 annually.

No changes to the use of the property are proposed. Please refer to the attached Rehabilitation and Maintenance Plan for a full description of the proposed work. The attached draft historical property contract will help the applicant mitigate these expenditures and will induce the applicant to maintain the property in excellent condition in the future. A Certificate of Appropriateness has been submitted for the following scopes to be completed in the next two to three years: replace existing non historic main doors and supporting framework; replace non-historic glass window facing market street with leaded glass window to match the historic nature of the façade.

The subject property meets three of the five Priority Considerations. It represents an exceptional example of the Arts & Crafts architectural style and therefore meets the Distinctiveness priority consideration. The building was designated an Article 10 landmark in 2015 and was designated on the National Register of Historic Places in 2019 and therefore is a recent landmark. In 2015 the applicant performed a full building rehabilitation, including seismic strengthening and elevator upgrades, at the subject property; therefore, the subject property not meet the Necessity or Investment criteria. Café du Nord, a registered Legacy Business ca. 2016, is located at the subject property and will continue to operate as such.

- e. 2731-2735 Folsom Street: As detailed in the Mills Act application, the applicant proposes to rehabilitate and maintain the historic property. Staff determined that the proposed work, detailed in the attachments, is consistent with the Secretary of Interior's Standards for Rehabilitation.

The subject property is currently valued by the Assessor's Office at over \$3,000,000 (see attached Market Analysis and Income Approach reports); therefore, an exemption from the tax assessment value is required. The subject property qualifies for an exemption as it is designated an individual landmark under Article 10 of the Planning Code. A Historic Structure Report was required in order to demonstrate that granting the exemption would assist in the preservation of a property that might otherwise be in danger of demolition, deterioration or abandonment.

The building underwent a full rehabilitation c.2014 which included full re-painting of all elevations, façade restoration, structural strengthening, and re-roofing. The proposed Rehabilitation Plan includes dry rot repair of wood elements at the base of the building, repair and restoration of windows, improve site drainage against foundation of building, repaint exterior, replace roof flashing, and fully re-roof the building. Rehabilitation work is estimated to cost \$305,573 over ten years.

The proposed Maintenance Plan includes annual inspection of gutters and downspouts, windows, front facade, and roof. Any needed repairs resulting from inspection will be made in

kind and will avoid altering, removing or obscuring character-defining features of the building. Maintenance work is estimated to cost approximately \$5,148 annually.

No changes to the use of the property are proposed. Please refer to the attached Rehabilitation and Maintenance Plan for a full description of the proposed work. The attached draft historical property contract will help the applicant mitigate these expenditures and will induce the applicant to maintain the property in excellent condition in the future.

The subject property meets three of the five Priority Considerations: Distinctiveness, Investment and Recently Designated City Landmark. The subject property represents a distinctive and well-preserved example of the Beaux-Arts style architecture. The property owner will be investing additional money towards the rehabilitation other than for routine maintenance. Additionally, in 2017 the City of San Francisco designated the subject building as an individual landmark under Article 10. The subject property does not meet the Necessity and Legacy Business criteria. In 2014, a full building rehabilitation, including seismic strengthening, was performed therefore the building is in good condition. Furthermore, the building is fully occupied and is not in danger of deterioration or abandonment. A Legacy Business is not located at the subject property.

#### ASSESSOR-RECORDER INFORMATION

Based on information received from the Assessor-Recorder, the following properties will receive an estimated first year reduction as a result of the Mills Act Contract. Please refer to the attached Preliminary Valuation spreadsheet prepared by the Assessor for detailed information about each property.

- a) 2251 Webster Street: Estimated Property Tax Savings of \$14,184 (a 66.37% reduction from factored base year value)
- b) 1401 Howard Street: Estimated Property Tax Savings of \$66,974 (a 31.20% reduction from factored base year value)
- c) 64 Potomac Street: Estimated Property Tax Savings of \$22,679 (a 76.47% reduction from factored base year value)
- d) 2168 Market Street: Estimated Property Tax Savings of \$0 (a 0.00% reduction from factored base year value). The property owner is aware that they will not receive a tax savings but would like to move forward with the Mills Act knowing that the property will be re-evaluated in the future.
- e) 2731-2735 Folsom Street: Estimated Property Tax Savings of \$35,495 (a 49.46% reduction from factored base year value)

## PLANNING DEPARTMENT RECOMMENDATION

- The Planning Department recommends that the Historic Preservation Commission adopt a resolution recommending approval of the Mills Act Historical Property Contracts and Rehabilitation and Maintenance Plans to the Board of Supervisors for the following properties:
  - a. 2251 Webster Street
  - b. 1401 Howard Street
  - c. 64 Potomac Street
  - d. 2168 Market Street
  - e. 2731-2735 Folsom Street

## ISSUES AND OTHER CONSIDERATIONS

Mills Act Contract property owners are required to submit an annual affidavit demonstrating compliance with Rehabilitation and Maintenance Plans.

## HISTORIC PRESERVATION COMMISSION ACTIONS

Review and adopt a resolution for each property:

1. Recommending to the Board of Supervisors approval of the proposed Mills Act Historical Property Contract between the property owner(s) and the City and County of San Francisco;
2. Approving the proposed Mills Act Rehabilitation and Maintenance Plan for each property.

## Attachments:

- a. **2251 Webster Street:**
  - Site & Aerial Photos
  - Draft Resolution
  - Draft Mills Act Historical Property Contract
  - Draft Rehabilitation Program & Maintenance Plan
  - Draft Mills Act Valuation provided by the Assessor-Recorder's Office
  - Pre-Approval Inspection Report
  - Mills Act Application
- b. **1401 Howard Street:**
  - Site & Aerial Photos
  - Draft Resolution
  - Draft Mills Act Historical Property Contract
  - Draft Rehabilitation Program & Maintenance Plan
  - Draft Mills Act Valuation provided by the Assessor-Recorder's Office
  - Pre-Approval Inspection Report
  - Mills Act Application

Mill Act Applications  
October 2, 2019

2019-006323MLS (2251 Webster Street); 2019-006384MLS (1401 Howard Street); 2019-006323MLS (64 Potomac Street); 2019-005831MLS (2168 Market Street); 2019-006455MLS (2731-2735 Folsom Street);

Historic Structure Report

c. 64 Potomac Street:

Site & Aerial Photos

Draft Resolution

Draft Mills Act Historical Property Contract

Draft Rehabilitation Program & Maintenance Plan

Draft Mills Act Valuation provided by the Assessor-Recorder's Office

Pre-Approval Inspection Report

Mills Act Application

d. 2168 Market Street:

Site & Aerial Photos

Draft Resolution

Draft Mills Act Historical Property Contract

Draft Rehabilitation Program & Maintenance Plan

Draft Mills Act Valuation provided by the Assessor-Recorder's Office

Pre-Approval Inspection Report

Mills Act Application

e. 2731-2735 Folsom Street:

Site & Aerial Photos

Draft Resolution

Draft Mills Act Historical Property Contract

Draft Rehabilitation Program & Maintenance Plan

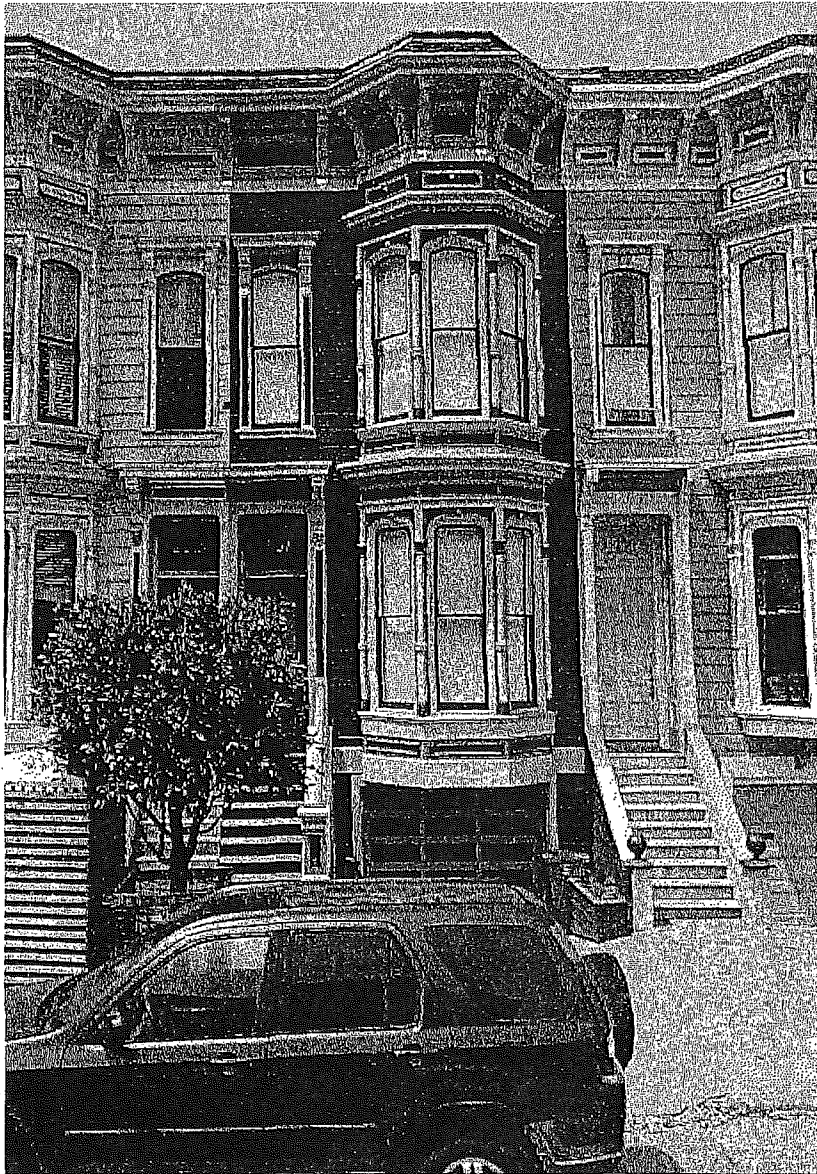
Draft Mills Act Valuation provided by the Assessor-Recorder's Office

Pre-Approval Inspection Report

Mills Act Application

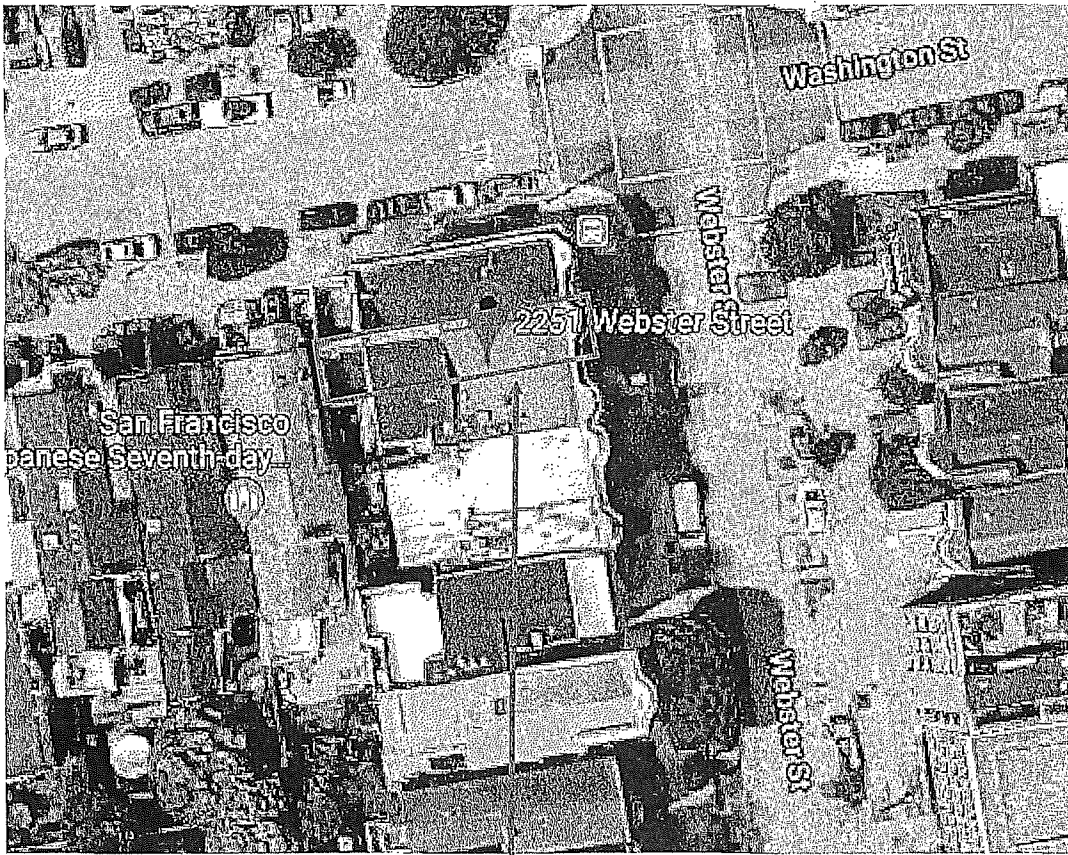
Historic Structure Report

SITE PHOTO





AERIAL PHOTO



SUBJECT PROPERTY



**SAN FRANCISCO  
PLANNING DEPARTMENT**

**Historic Preservation Commission  
Resolution No. 1090**

HEARING DATE: OCTOBER 2, 2019

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
415.558.6378

Fax:  
415.558.6409

Planning  
Information:  
415.558.6377

*Case No.:* 2019-006323MLS  
*Project Address:* 2251 Webster Street (District 2)  
*Landmark District:* Contributor to the Webster Street Historic District  
*Zoning:* RH-2 – Residential-House, Two Family  
*Height and Bulk:* 40-X  
*Staff Contact:* Shannon Ferguson – (415) 575-9074  
shannon.ferguson@sfgov.org  
*Reviewed By:* Elizabeth Gordon-Jonckheer – (415) 575-8728  
Elizabeth Gordon-Jonckheer @sfgov.org

**ADOPTING FINDINGS RECOMMENDING TO THE BOARD OF SUPERVISORS APPROVAL OF THE DRAFT MILLS ACT HISTORICAL PROPERTY CONTRACT, REHABILITATION PROGRAM, AND MAINTENANCE PLAN FOR 2251 WEBSTER STREET.**

WHEREAS, The Mills Act, California Government Code Sections 50280 et seq. (“the Mills Act”) authorizes local governments to enter into contracts with owners of private historical property who assure the rehabilitation, restoration, preservation and maintenance of a qualified historical property; and

WHEREAS, in accordance with Article 1.9 (commencing with Section 439) of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code, the City and County of San Francisco may provide certain property tax reductions, such as those provided for in the Mills Act; and

WHEREAS, Ordinance No. 191-96 amended the San Francisco Administrative Code by adding Chapter 71, to implement Mills Act locally; and

WHEREAS, The Planning Department has determined that the actions contemplated in this Resolution are categorically exempt from with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) under section 15331; and

WHEREAS, the existing building located at 2251 Webster Street is a contributor to the Webster Street Historic District and thus qualifies as a historical property for purposes of the Mills Act; and

WHEREAS, The Planning Department has reviewed the Mills Act Application, draft Historical Property Contract, Rehabilitation Program, and Maintenance Plan for 2251 Webster Street, which are located in Case Docket No. 2019-006323MLS. The Planning Department recommends approval of the draft Mills Act historical property contract, rehabilitation program, and maintenance plan; and

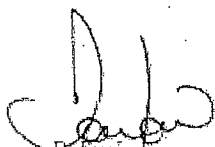
WHEREAS, The Historic Preservation Commission (HPC) recognizes the historic building at 2251 Webster Street as an historical resource and believes the Rehabilitation Program and Maintenance Plan are appropriate for the property; and

WHEREAS, at a duly noticed public hearing held on October 2, 2019, the HPC reviewed documents, correspondence and heard oral testimony on the Mills Act Application, draft Historical Property Contract, Rehabilitation Program, and Maintenance Plan for 2251 Webster Street, which are located in Case Docket No. 2019-006323MLS.

THEREFORE, BE IT RESOLVED That the HPC hereby recommends that the Board of Supervisors approve the draft Mills Act Historical Property Contract, including the Rehabilitation Program, and Maintenance Plan for the historic building located at 2251 Webster Street, attached herein as Exhibits A and B, and fully incorporated by this reference.

BE IT FURTHER RESOLVED That the HPC hereby directs its Commission Secretary to transmit this Resolution, the draft Mills Act Historical Property Contract, including the Rehabilitation Program, and Maintenance Plan for 2251 Webster Street, and other pertinent materials in the case file 2019-006323MLS to the Board of Supervisors.

I hereby certify that the foregoing Resolution was ADOPTED by the Historic Preservation Commission on October 2, 2019.

  
Jonas F. Ionin  
Commissions Secretary

AYES: Johns, Pearlman, So, Hyland, Matsuda, Black

NOES: None

ABSENT: None

RECUSED: Foley

ADOPTED: October 2, 2019

## Exhibit A: Rehabilitation/Restoration Plan: 2251 Webster Street

<b>1</b>	<b>Scope Number</b>	<b>Building Feature: West and NW Exterior (Back of House)</b>
<b>Type:</b> Rehab/Restoration, Completed		
<b>Contract Year for Work Completion:</b> 2019		
<b>Total Cost:</b> \$12,650		
<b>Description of Work: Exterior Restoration and Painting</b>		
<p>Exterior painting was required due to old age (more than 8 years ago). Also water was noted coming in through the west facing window on the second floor and the doors on the west side first floor. Both restoration by fixing the leak as well as prepping and painting was required.</p> <p>Invoice of work details attached.</p>		

<b>2</b>	<b>Scope Number</b>	<b>Building Feature: Second story Windows facing West</b>
<b>Type:</b> Rehab/Restoration, Proposed		
<b>Contract Year for Work Completion:</b> 2022		
<b>Total Cost:</b> \$14,000		
<b>Description of Work: Replacement of Windows</b>		
<p>Replace the second story west facing windows in kind. The windows are regularly maintained, repaired and painted however full replacement is necessary due to extensive dry rot. Replacement windows will match profile, materials and design of original windows.</p> <p>Estimate attached + an additional \$2k for painting which is not included in this bid.</p> <p><i>Work will be done in accordance with the National Park Service's Preservation Brief #10: Exterior Paint Problems on Historic Woodwork and Preservation Brief #47: Maintaining the Exterior of Small and Medium Size Historic Buildings.</i></p>		

<b>3</b> Scope Number	<b>Building Feature: Interior plaster and lathe replacement</b>
Type: Rehab/Restoration, Proposed	
Contract Year for Work Completion: 2022	
Total Cost: \$1500	
<b>Description of Work: Repair the interior plaster and lathe</b>	
<p>Work to be done in conjunction with the window replacement on west elevation. Clean and repair the plaster and lathe that was damaged due to a recently repaired leak on the exterior of the building.</p> <p>Estimate attached.</p> <p><i>Work will be done in conformance with the Secretary of the Interior's Standards and in accordance with the National Park Service's Preservation Brief #21: Repairing Historic Flat Plaster Walls and Ceilings</i></p>	

<b>4</b> Scope Number	<b>Building Feature: Windows facing East</b>
Type: Rehab/Restoration, Proposed	
Contract Year for Work Completion: 2023	
Total Cost: \$24,000	
<b>Description of Work: Replacement of Windows</b>	
<p>Replace all east facing windows in kind + 1 first story window in the west facing window well in kind. The windows are regularly maintained, repaired and painted however full replacement is necessary due to extensive dry rot. Replacement windows will match profile, materials and design of original windows.</p> <p>Estimate attached + an additional \$2k for painting which is not included in this bid.</p> <p><i>Work will be done in accordance with the National Park Service's Preservation Brief #10: Exterior Paint Problems on Historic Woodwork and Preservation Brief #47: Maintaining the Exterior of Small and Medium Size Historic Buildings.</i></p>	

<b>5</b>	<b>Scope Number</b>	<b>Building Feature: Roof</b>
Type: Rehab/Restoration, Proposed		
Contract Year for Work Completion: 2025		
Total Cost: \$3200		
<b>Description of Work: Repair Roof</b>		
<ol style="list-style-type: none"> <li>1) Clean up drain and entire roof</li> <li>2) Seal all nail exposures with strong roof chalking</li> <li>3) Seal all roof penetrations such as roof jacks, air vents, chimney</li> <li>4) Replace one air vent flashing that is installed improperly. It needs a roof membrane torch down to prevent future leaks.</li> </ol> <p>Estimate for work in 2025 is attached</p> <p><i>All work will be done in conformance with the Secretary of the Interior's Standards.</i></p>		

<b>6</b>	<b>Scope Number</b>	<b>Building Feature: East Exterior (front of the house)</b>
Type: Rehab/Restoration, Proposed		
Contract Year for Work Completion: 2026		
Total Cost: \$31,910		
<b>Description of Work: Restoration and Painting the Front Exterior</b>		
<p>Restoration work will include: replace flashing on five of the window ledges, two bay window ledges and front door ledge to prevent further dry rot. Replacing several of the trim pieces where moisture is entering and causing dry rot. Pieces will be replicated to be exactly as original</p> <p>Painting of work will include: Sanding and prep weak spots to avoid future water and dry rot. Bondo and/or Caulk all seams on trim pieces, windows, doors as necessary, putty all nail holes. Paint front door, make any necessary restoration work to the front door.</p> <p>Estimates based on if the work was to be done in 2019: Scaffolding estimate \$1,960; Restoration estimate: \$6,500. Painting estimate to match current 7 color scheme \$23,450 Note, Invoice attached from 2014. Similar scope of work. \$21,609.</p>		

*Work will be done in accordance with the National Park Service's Preservation Brief #10: Exterior Paint Problems on Historic Woodwork and Preservation Brief #47: Maintaining the Exterior of Small and Medium Size Historic Buildings.*

**7** Scope Number      Building Feature: West Facing Exterior door to Garage

Type: Rehab/Restoration, Proposed

Contract Year for Work Completion: 2028

Total Cost: \$2500

**Description of Work: Replace Door leading into the back of the garage**

A contractor recently inspected the exterior rear door to the garage and highly recommended having it replaced due to dry rot and safety. New door will be a simple wood door that is compatible with the design of the building and the historic district.

See the window estimate from Ocean Window and Door. Door estimate is \$1500 + labor which is all included in the window bid.

**8** Scope Number      Building Feature: Roof

Type: Rehab/Restoration, Proposed

Contract Year for Work Completion: 2029

Total Cost: \$20,000

**Description of Work: Roof Replacement**

A full roof replacement in kind plus and additional restoration work needed as determined at that time.

*Work will be done in conformance with the Secretary of the Interior's Standards.*

<b>9</b> Scope Number:    Building Feature: <b>Front Door (which is original)</b>
Type: Rehab/Restoration, Proposed
Contract Year for Work Completion: 2029
Total Cost: \$16,500
<b>Description of Work: Replace or continually repair the Front Door</b>
Replace original front door with new custom wood door to replicate the existing door. Current door is regularly painted and repaired as needed, but due to age, the wood is splitting and the seams are coming apart a little bit more each year.  (Estimate based on estimate provide by neighbor who has identical door) <i>Work will be done in conformance with the Secretary of the Interior's Standards.</i>



## Exhibit B: Maintenance Plan: 2251 Webster Street

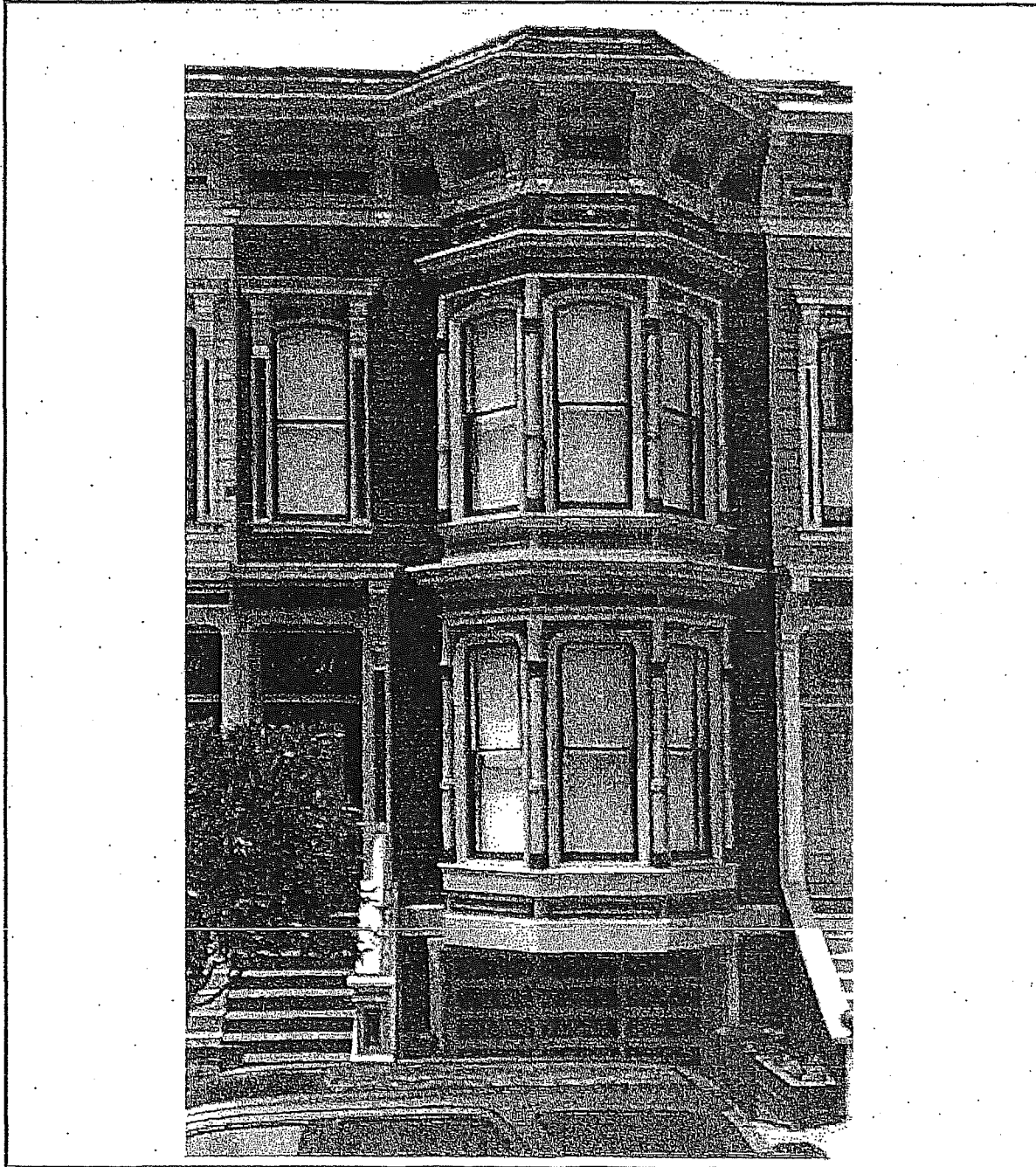
<b>1</b>	<b>Scope Number</b>	<b>Building Feature:</b> Front and rear exterior: East and West Facing
Type: Maintenance: Completed and Proposed		
Contract Year for Work Completion: 2019 and each year when major painting work is not being scheduled		
Total Cost: \$1,800 per year once a year (minus the years where painting is happening)		
<b>Description of Work: Professional wash Front and Rear Exterior Building</b>		
Professional wash on the exterior of the building		
Estimate from 2017 attached and only for the front of the house. Note: 2018 front washing only was paid for by neighbor due to their massive construction project.		
All washing will be performed using the gentlest means possible.		
<i>Work will be done in conformance with the Secretary of the Interior's Standards and Preservation Brief #47: Maintaining the Exterior of Small and Medium Size Historic Buildings.</i>		

<b>2</b> Scope Number	Building Feature: Front and rear exterior: East and West Facing
<b>Type:</b> Maintenance: Proposed	
<b>Contract Year for Work Completion:</b> 2020 and each year when major painting work is not being scheduled	
<b>Total Cost:</b> \$600	
<b>Description of Work:</b> Inspect all the wooden elements of the house when the washing is being performed	
<p>When doing the professional washing, the painter and his crew agreed to inspect the front and back of the house. They will inspect the wooden elements of the façade and windows looking for damage or deterioration. If found, the extent and nature of the damage will be assessed. Any needed repairs will avoid altering, removing or obscuring character- defining features of the building. If any elements are determined to be damaged or deteriorated beyond repair, replacements will be made in kind (e.g., wood for wood). This maintenance routine will be informed by the guidance outlined in the National Park Service's Preservation Brief 47: Maintaining the Exterior of Small and Medium Size Historic Buildings.</p> <p>The estimate for the inspection only is an annotation on Maintenance Scope 1 estimate as a result of a phone conversation with my painter/contractor.</p> <p><i>Work will be done in conformance with the Secretary of the Interior's Standards and Preservation Brief #47: Maintaining the Exterior of Small and Medium Size Historic Buildings and National Park Service's Preservation Brief #10: Exterior Paint Problems on Historic Woodwork.</i></p>	

<b>3</b> Scope Number	Building Feature: Front and Rear Windows
Type: Maintenance, Proposed	
Contract Year for Work Completion: 2019 and each year twice a year	
Total Cost: \$480 each year (\$240 twice a year)	
<b>Description of Work: Window Washing twice a year</b>	
<p>Professionally wash every window and check for leaks.</p> <p>See estimate attached.</p> <p><i>Work will be done in conformance with the Secretary of the Interior's Standards and Preservation Brief #47: Maintaining the Exterior of Small and Medium Size Historic Buildings.</i></p>	



Office of the Assessor / Recorder - City and County of San Francisco  
2019 Mills Act Valuation



2251 Webster Street

OFFICE OF THE ASSESSOR-RECORDER - CITY & COUNTY OF SAN FRANCISCO  
MILLS ACT VALUATION

APN:	0612 001A	Lien Date:	7/1/2019
Address:	2251 Webster Street	Application Date:	4/29/2019
SF Landmark No.:	N/A	Valuation Date:	7/1/2019
Applicant's Name:	Sally Ann Sadosky	Valuation Term:	12 Months
Agt./Tax Rep./Atty:	None	Last Sale Date:	4/29/2011
Fee Appraisal Provided:	No	Last Sale Price:	\$1,600,000

FACTORED BASE YEAR (Roll) VALUE		INCOME CAPITALIZATION APPROACH		SALES COMPARISON APPROACH	
Land	\$1,286,323	Land	\$432,600	Land	\$ 1,288,000
Imps.	\$551,280	Imps.	\$185,400	Imps.	\$552,000
Personal Prop	\$0	Personal Prop	\$0	Personal Prop	\$0
<b>Total</b>	<b>\$1,837,603</b>	<b>Total</b>	<b>\$618,000</b>	<b>Total</b>	<b>\$ 1,840,000</b>

**Property Description**

Property Type:	SFR	Year Built:	1900	Neighborhood:	Pacific Heights
Type of Use:	SFR	Total Living Area:	1586	Land Area:	1,054
Owner-Occupied:	Yes	Stories:	2	Zoning:	RH-2
Unit Type:	Residential	Parking Spaces:	1 Car Garage	View:	Buildings
Condition:	Good				

Total No. of Units: 1

**Special Conditions (Where Applicable)**

The analysis and conclusions developed in this report were derived in part from the observations made during an on-site property inspection completed on 9/10/2019.

**Conclusions and Recommendations**

	Per SF	Total
Factored Base Year Roll Value	\$1,159	\$1,837,603
Income Approach - Direct Capitalization	\$390	\$618,000
Sales Comparison Approach	\$1,160	\$1,840,000
<b>Recommended Value Estimate</b>	<b>\$390</b>	<b>\$618,000</b>

Appraiser: Bryan Bibby

Principal Appraiser: James Bias

Date of Report: 9/12/2019

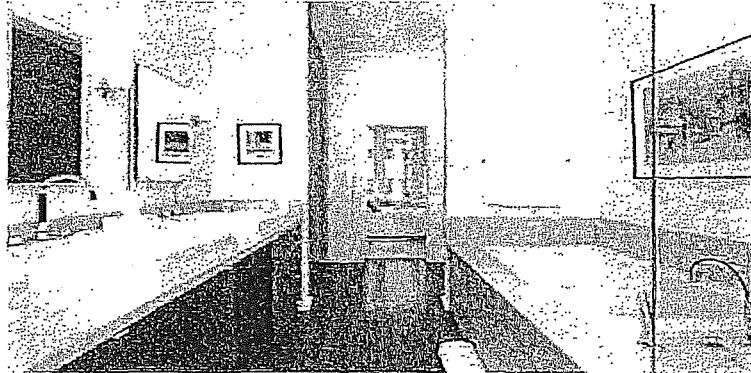
**SUBJECT PHOTOGRAPHS, LOCATION MAP AND ASSESSOR'S BLOCK MAP**

Address: 2251 Webster Street

APN: 0612 001A



On-Site Inspection Photo



Last Sale Listing Photo



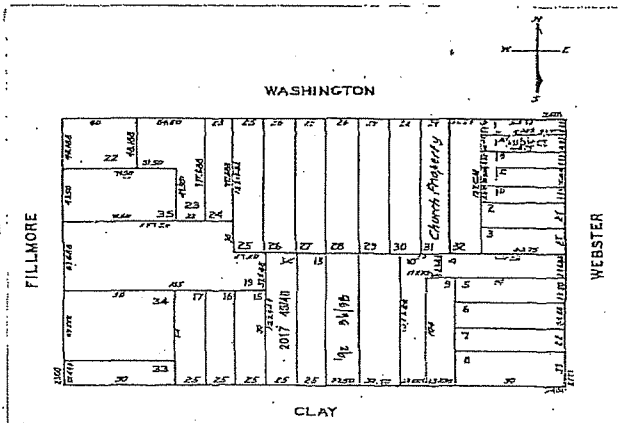
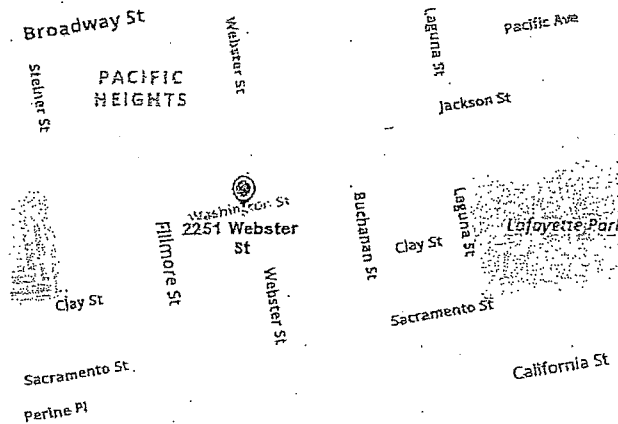
Last Sale Listing Photo



Last Sale Listing Photo



Last Sale Listing Photo



**INCOME APPROACH**

Address: 2251 Webster Street  
 Lien Date: 7/1/2019

	<u>Monthly Rent</u>	<u>Annualized</u>	<u>Annualized</u>
Potential Gross Income*	\$6,500	12	\$78,000
Less: Vacancy & Collection Loss		3%	<u>(\$2,340)</u>
Effective Gross Income			\$75,660
Less: Anticipated Operating Expenses (Pre-Property Tax)**		15%	<u>(\$11,349)</u>
<b>Net Operating Income (Pre-Property Tax)</b>			<b>\$64,311</b>

**Restricted Capitalization Rate**

2019 interest rate per State Board of Equalization		4.7500%	
Risk rate (4% owner occupied / 2% all other property types)***		4.0000%	
2018 property tax rate ****		1.1630%	
Amortization rate for improvements only			
Remaining economic life (Years)      60	0.0167	<u>0.5000%</u>	
Improvements constitute % of total property value	<u>30%</u>		10.4130%

**RESTRICTED VALUE ESTIMATE**

\$617,603

**Rounded**

\$618,000

**Notes:**

- \* Potential Gross Income was based on the rental comps selected on the next page. The comps that were considered included single family homes as well as condos & apartment units since the subject featured a common "party" wall & foundation with the property next door (2249 Webster Str.) per taxpayer's assertions. A visual inspection of the back of the house revealed a common sloped roof line that covered both 2249 and 2251 Webster Street, respectively. These property elements, plus the subject's modest living area, exhibited some property attributes that are similar to condo & apartment unit type properties. In consideration of this, the comp analysis focused on candidate properties that appeared to have an overall similar utility and prospective tenant appeal to the subject's overall utility and appeal. The resulting comps selected yielded a monthly rental range of \$6,495 to \$6,795 & equated to a range of \$3.82/sf/month to \$5.91/sf/month. The projected rent for the subject was concluded at \$6,500/month or \$4.10/sf/month equating to \$49.18/sf/annually. Of note, the rental range amounts and rent per square foot, as well as, the comps' key amenity indicators were all bracketed in the rent conclusion amount.
- \*\* Annual operating expenses include water service, refuse collection, insurance, and regular maintenance items. Assumes payment of PG&E by lessee.
- \*\*\* Risk rate concluded to be owner occupied based on Mills Act Historical Property Contract dated 4/29/2019.
- \*\*\*\* The 2019 property tax rate will be determined in September, 2019. The 2018 tax rate is the most recent established tax rate as of the reporting date and was used for this analysis.

**Rent Comparables**

Address: 2251 Webster Street  
 Lien Date: 7/1/2019

**Rental Comp #1**



Gordon Property Management  
 454 Clpper Street  
 Diamond Street  
 SF: 1,516  
 Layout: SFR;6/3/1.5,1 car/good cond/part.bay/bldgs views  
 Monthly Rent \$6,500  
 Rent/Foot/Mo \$4.29  
 Annual Rent/Foot: \$51.45

**Rental Comp #2**



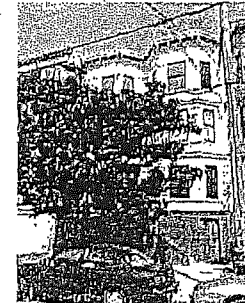
Trulia Rental Network  
 553 Page Street  
 Fillmore Street  
 1,700  
 Condo;7/2/2,1 car/good cond/olly lghts/bldgs view  
 \$6,500  
 \$3.82  
 \$48.08

**Rental Comp #3**



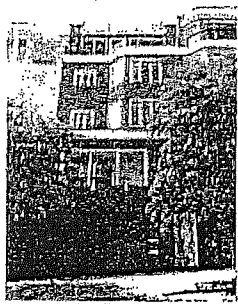
Forrent.com  
 4424 18th Street  
 Eureka Street  
 1,190  
 Condo;5/2/1,no parking/good cond//bldgs view  
 \$5,573  
 \$5.52  
 \$88.28

**Rental Comp #4**



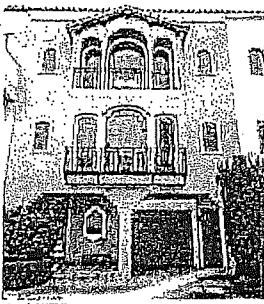
Bay Property Group  
 1022 Cole Street  
 Pamassus Street  
 1,500  
 Flat;8/2/2,no parking/good cond/bldgs view  
 \$6,495  
 \$4.33  
 \$61.98

**Rental Comp #5**



Compass Realty  
 3871 19th Street #B  
 Church Street  
 1,199  
 Condo;5/2/2.5,1 car/good cond/bldgs view  
 \$6,595

**Rental Comp #6**



ReLISTO  
 1439 Jefferson Street  
 Webster Street  
 1,583  
 Condo;4/2/2.5,1 car/good cond/bldgs view  
 \$6,795

**Rental Comp #7**





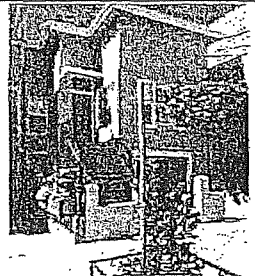

Gordon Property Management  
 1809 Broadway #2  
 Gough Street  
 1,100  
 Apart.Unit;4/2/2,no parking/good cond/bldgs view  
 \$6,500

Listing Agent:  
 Address:  
 Cross Streets:  
 SF:  
 Layout:  
 Monthly Rent

1186



**SINGLE FAMILY MARKET ANALYSIS**

APN	Subject-A 0612 001A	Sale 1-B 0636 003	Sale 2-C 1023 002	Sale 3-D 0514 032	
					
Address	2251 Webster Street	2019 Webster Street	1819 Baker Street	3050 Pierce Street	
Sales Price		\$2,250,000	\$1,600,000	\$1,900,000	
Sale Price / Square Foot		\$1,074	\$1,208	\$1,315	
	Description	Description	Adjust.	Description	Adjust.
Date of Valuation/Sale	07/01/19	02/21/19		12/10/18	
Neighborhood	Pacific Heights	Pacific Heights		Pacific Heights	
Proximity to Subject	—	Reasonable Proximity		Reasonable Proximity	
Land Area	1,054	2,012	(\$7,000)	2,652	(\$6,000)
View Type	Buildings	Similar To Subject		Similar To Subject	
Year Built	1900	1900		1900	
Condition Type	Good	Good		Inferior	\$80,000
Traffic	Typical	Typical		Typical	
Building Area	1,586	2,094	(254,000)	1,325	131,000
Total Number of Rooms	5	7		5	
Bedroom Count	2	5		2	
Bath Count	2	2.5	(\$25,000)	1	\$50,000
Number of Staires	2	2		1	
Parking Type/Count	1 Car Garage	2 Car Garage	(\$75,000)	1 Car Garage	
Bonus Rooms	None	None		None	
				Unwarranted Bonus Areas	(\$75,000)
Net Adjustments			(\$411,000)		\$165,000
Indicated Value	\$1,840,000		\$1,839,000		\$1,765,000
Adjust. \$ Per Sq. Ft.	\$1,160		\$1,160		\$1,113

Value Range:	Low	High	VALUE CONCLUSION:	\$1,840,000	\$1,160
Adjust. \$ Per Sq. Ft.	\$1,113	\$1,193			

**REMARKS:** The subject's property attributes & condition elements were based on historical listing data, DBI permit history, ASR records, Mills Act Application details and observations made during a property inspection on 9/10/2019. The subject features past updates to the kitchen and master bath as noted per the listing history. A second bath was added in October, 2005 per DBI that effectively reduced the bedroom count to two bedrooms. The general roof condition shows an extended life up to 5 years per the roofing contractor & customized exterior painting was completed in 2014 per the property owner statements. Further, additional exterior repair and paint work done at the back of the house was completed in 2019 as noted in the Mills Act Application packet.

Adjustments are made to the comparables. (Rounded to the nearest \$1,000.)  
 \*Lot Area adj. based on per square foot of \$ 60  
 \*GLA adjustment based on per square foot of \$ 500



# SAN FRANCISCO PLANNING DEPARTMENT

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## PRE-APPROVAL INSPECTION REPORT

*Report Date:* May 24, 2019  
*Inspection Date:* May 16, 2019; 9:30am  
*Filing Date:* May 1, 2019  
*Case No.:* 2019-006323MLS  
*Project Address:* 2251 Webster Street  
*Block/Lot:* 0612/001A  
*Eligibility:* Contributor to the Webster Street Historic District  
*Zoning:* RH-2 – Residential-House, Two-Family  
*Height & Bulk:* 40-X  
*Supervisor District:* District 2 (Catherine Stefani)  
*Project Sponsor:* Sally Ann Sadosky  
*Address:* 2251 Webster Street  
San Francisco, CA 94115  
415-298-0036  
ssadosky@gmail.com  
*Staff Contact:* Michelle Taylor – (415) 575-9197  
Michelle.taylor@sfgov.org  
*Reviewed By:* Tim Frye – (415) 575-6822  
tim.frye@sfgov.org

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
415.558.6378

Fax:  
415.558.6409

Planning  
Information:  
415.558.6377

### PRE-INSPECTION

- Application fee paid
  - Record of calls or e-mails to applicant to schedule pre-contract inspection
- 5/7/2019: Email applicant to schedule site visit.
- 5/14/2019: Email applicant to follow up on scheduling site visit.
- 5/15/2019: Email applicant to confirm site visit.

### INSPECTION OVERVIEW

Date and time of inspection: Thursday, May 16, 2019, 9:30am

Parties present: Michelle Taylor, Shannon Ferguson, Sally Sadosky

- Provide applicant with business cards
- Inform applicant of contract cancellation policy
- Inform applicant of monitoring process

Inspect property. If multi-family or commercial building, inspection included a:

- Thorough sample of units/spaces
- Representative
- Limited
- Review any recently completed and in progress work to confirm compliance with Contract.
- Review areas of proposed work to ensure compliance with Contract.
- Review proposed maintenance work to ensure compliance with Contract.
- Identify and photograph any existing, non-compliant features to be returned to original condition during contract period. n/a

- Yes     No    Does the application and documentation accurately reflect the property's existing condition? If no, items/issues noted:
- Yes     No    Does the proposed scope of work appear to meet the Secretary of the Interior's Standards? If no, items/issues noted:
- Yes     No    Does the property meet the exemption criteria, including architectural style, work of a master architect, important persons or danger of deterioration or demolition without rehabilitation? If no, items/issues noted: N/A
- Yes     No    Conditions for approval? If yes, see below.

## NOTES

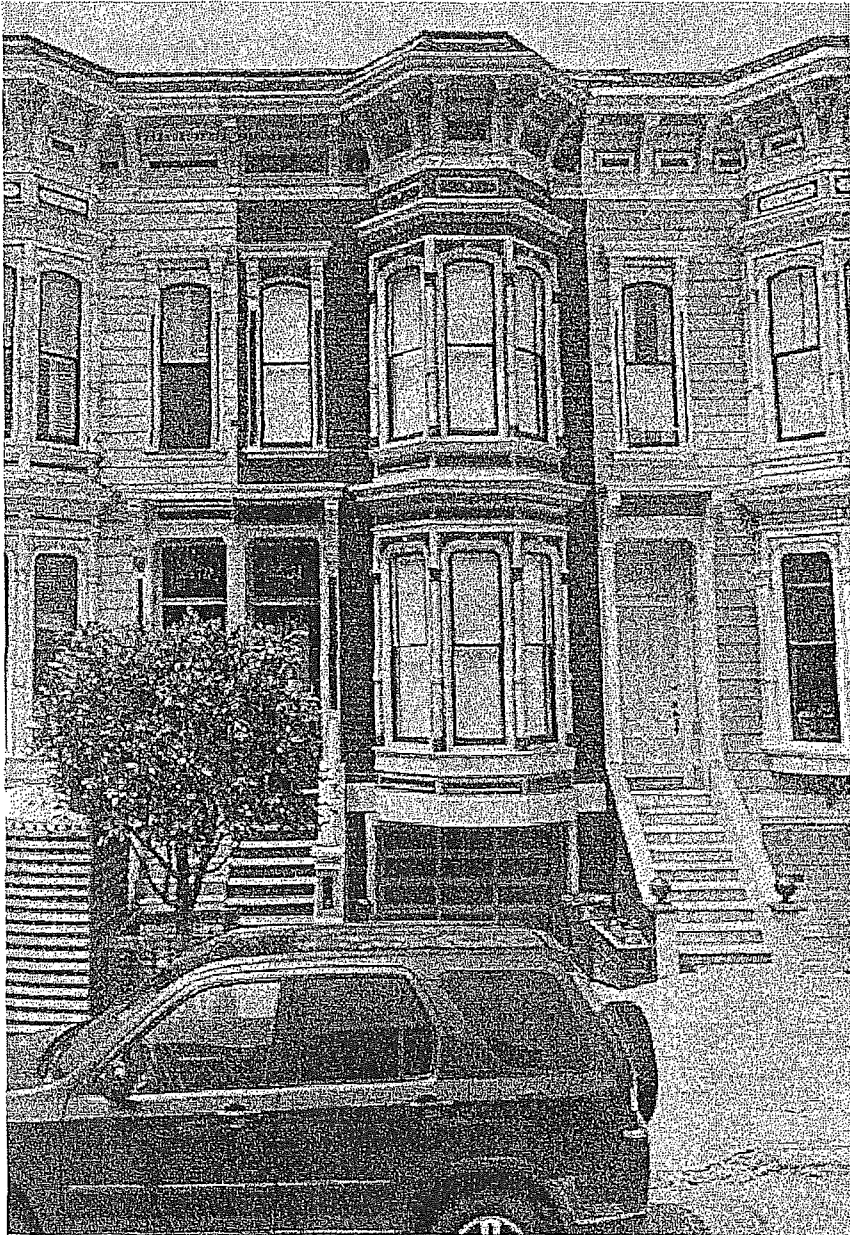
2251 Webster Street (District 2) is located on the west side of Webster Street between Washington and Clay streets, Assessor's Block 0612, Lot 001A. The subject property is located within a RH-2 (Residential-House, Two-Family District) zoning district and a 40-X Height and Bulk district. The subject property is a contributing building to the Webster Street Historic District. It is a two-story, plus basement, wood-frame, single-family dwelling designed in the Italianate style and built in circa 1900.

The subject property is currently valued by the Assessor's Office at under \$3,000,000. Therefore, an exemption from the tax assessment value is not required.

The applicant has completed dry rot repair and exterior painting along with repairs and maintenance on the windows in 2019. The subject property was previously seismically strengthened at the east, west, and south walls and half of the north wall; the applicant has determined that seismically strengthening the remaining portion of the north wall is cost prohibitive at this time. The rehabilitation plan proposes to repair or replace windows in kind, repair interior plaster and lathe damaged by a leaking window, repair or replace the front door in kind, repair roofing, full roof replacement, replace rear exterior door, and paint and restoration of façade. The estimated cost of the proposed rehabilitation work is \$92,060.

The maintenance plan proposes to inspect and make any necessary repairs to the siding, windows, front porch, and roof on an annual basis. The estimated cost of maintenance work is \$2,880 annually.

PHOTOGRAPHS



# MILLS ACT HISTORICAL PROPERTY CONTRACT Application Checklist:

Applicant should complete this checklist and submit along with the application to ensure that all necessary materials have been provided. Saying "No" to any of the following questions may nullify the timelines established in this application.

1. **Mills Act Application** YES  NO 
  - Has each property owner signed?
  - Has each signature been notarized?
2. **High Property Value Exemption Form & Historic Structure Report** YES  NO 
  - Required for Residential properties with an assessed value over \$3,000,000 and Commercial/Industrial properties with an assessed value over \$5,000,000.
  - Have you included a copy of the Historic Structures Report completed by a qualified consultant? N/A
3. **Draft Mills Act Historical Property Contract** YES  NO 
  - Are you using the Planning Department's standard "Historical Property Contract"?
  - Have all owners signed and dated the contract?
  - Have all signatures been notarized?
4. **Notary Acknowledgement Form** YES  NO 
  - Is the Acknowledgement Form complete?
  - Do the signatures match the names and capacities of signers?
5. **Draft Rehabilitation/Restoration/Maintenance Plan** YES  NO 
  - Have you identified and completed the Rehabilitation, Restoration, and Maintenance Plan organized by contract year, including all supporting documentation related to the scopes of work?
6. **Photographic Documentation** YES  NO 
  - Have you provided both interior and exterior images (either digital, printed, or on a CD)? Are the images properly labeled?
7. **Site Plan** YES  NO 
  - Does your site plan show all buildings on the property including lot boundary lines, street name(s), north arrow and dimensions?
8. **Tax Bill** YES  NO 
  - Did you include a copy of your most recent tax bill?
9. **Rental Income Information** YES  NO 
  - Did you include information regarding any rental income on the property, including anticipated annual expenses, such as utilities, garage, insurance, building maintenance, etc.?
10. **Payment** YES  NO 
  - Did you include a check payable to the San Francisco Planning Department?
  - Current application fees can be found on the Planning Department Fee Schedule under Preservation Applications. \$2959
11. **Recordation Requirements** YES  NO 
  - A Board of Supervisors approved and fully executed Mills Act Historical Property contract must be recorded with the Assessor-Recorder. The contract must be accompanied by the following in order to meet recording requirements:
    - All approvals, signatures, recordation attachments
    - Fee: Check payable to the Office of the Assessor-Recorder in the appropriate recording fee amount. Please visit [www.sfassessor.org](http://www.sfassessor.org) for an up-to-date fee schedule for property contracts.
    - Preliminary Change of Ownership Report (PCOR). Please visit [www.sfassessor.org](http://www.sfassessor.org) for an up-to-date PCOR (see example on page 20).

### **Addendum: Priority Consideration Criteria**

I am pleased to submit to the Board of Supervisors and the SF Planning Department my application for the Mills Act.

I believe my property at 2251 Webster qualifies for the Mills Act given my experience living in the house since June 2011.

### **Priority Consideration Criteria**

#### **Necessity:**

In 2014, I did not know about the Mills Act and funded the exterior painting work myself. It was a much bigger project than I anticipated and began to realize the high expense associated with keeping an historic property in the world-class condition that it deserves.

Since that time, I have done the minimum required to maintain this house simply because of the costs. I am a single income earner and sole owner of this property. The overall expenses, if I did everything required, simply exceeds my current budget and income. When I learned about the Mills Act, I was thrilled at the possibility of having tax savings that can be put right back into the maintenance of the structure.

In 2019, because of some water leak/damage, I had to repair part of the house around the back door and back window. At that time, I had the painter paint the interior windows (which I had painted in 2011 as well). He warned me in 2011, and then insisted in 2019, that all these windows are very near end of life. His 'bondo' work might last 2-3 more years, but then he would not likely be able to do further repairs. They would all have to be replaced. He also mentioned that this would help my heating bills and act as a significant sound barrier from Webster St and Washington St.. Sadly, the window estimate is over \$20k. Without a significant tax break that I can apply, I will not likely be able to undertake this project. The same holds true when the roof is required to be replaced.

#### **Distinctiveness:**

This row of houses on Webster St are designated historic for good reason.

- 1) Every afternoon at about 1pm, the Victorian Walking Tour Group stops in front of my address. The Guide goes into the history of the Italianate style of homes and uses my specific house as the perfect example of "classic Victorian style" with its 7 color design. The Guide then points to the all-black house at the end of our row as the modern take on the Victorian. I am extremely proud of my 7 color design that I worked closely with Bob Buckter, Dr Color, a noted colorist for the Victorians
- 2) There are 2 pages in the book *Fables and Gables* dedicated to my address (2251) and 2249 specifically. Both have a colorful and, sometimes, sordid history. I understand that our whole row of 5 houses is designated historic, in part, because they are the only existing Italianates that are true townhouses (where we share walls).
- 3) In the Dec 2018 issue of 7x7 Magazine, my house was photo'd as an example of the "classic Christmas" and in 2017, Neale Haynes, a famous London photographer, Instagramed my house during his vacation in San Francisco and shared it with his followers and posted it on his website. I stumbled upon both of these through friends recognizing my house and forwarding the photos to me!

While not as popular as the Mrs Doubtfire house on Steiner St., countless tourists nearly every day, with their guidebooks in hand, stop to admire, photograph my property and our row of homes. They learn why San Francisco is an amazing city.

I feel obligated and proud to keep this house in pristine condition, but sadly, my financial situation does not allow me to do all that I want to do.

With the Mills Act, I 100% intend on putting the tax-savings right back into the house, in addition to applying additional funds as necessary. I do not intend to save any money from the Mills Act, rather, it affords me to do the work that my house deserves.

Thank you for your consideration and I look forward to working with you over the next 10 years.

# APPLICATION FOR Mills Act Historical Property Contract

Applications must be submitted in both hard copy and digital copy form to the Planning Department at 1650 Mission St., Suite 400 by May 1st in order to comply with the timelines established in the Application Guide. Please submit only the Application and required documents.

## 1. Owner/Applicant Information (If more than three owners, attach additional sheets as necessary.)

PROPERTY OWNER 1 NAME: SALLY ANN SADOVSKY (Trustee) TELEPHONE: (814) 5-298-0036  
 PROPERTY OWNER 1 ADDRESS: \_\_\_\_\_ EMAIL: \_\_\_\_\_

PROPERTY OWNER 2 NAME: \_\_\_\_\_ TELEPHONE: \_\_\_\_\_  
 PROPERTY OWNER 2 ADDRESS: \_\_\_\_\_ EMAIL: \_\_\_\_\_

PROPERTY OWNER 3 NAME: \_\_\_\_\_ TELEPHONE: \_\_\_\_\_  
 PROPERTY OWNER 3 ADDRESS: \_\_\_\_\_ EMAIL: \_\_\_\_\_

## 2. Subject Property Information

PROPERTY ADDRESS: 2251 Webster St San Francisco ZIP CODE: 94115  
 PROPERTY PURCHASE DATE: 4/29/2011 ASSESSOR BLOCK/LOT(S): 0612/001A  
 MOST RECENT ASSESSED VALUE: \$1,794,572 ZONING DISTRICT: RH-2 - Residential - House

Are taxes on all property owned within the City and County of San Francisco paid to date? YES  NO

Is the entire property owner-occupied? YES  NO

If No, please provide an approximate square footage for owner-occupied areas vs. rental income (non-owner-occupied areas) on a separate sheet of paper.

Do you own other property in the City and County of San Francisco? YES  NO

If Yes, please list the addresses for all other property owned within the City of San Francisco on a separate sheet of paper.

Are there any outstanding enforcement cases on the property from the San Francisco Planning Department or the Department of Building Inspection? YES  NO

If Yes, all outstanding enforcement cases must be abated and closed for eligibility for the Mills Act.

I/we am/are the present owner(s) of the property described above and hereby apply for an historical property contract. By signing below, I affirm that all information provided in this application is true and correct. I further swear and affirm that false information will be subject to penalty and revocation of the Mills Act Contract.

Owner Signature: Sally Ann Sadovsky Date: 4/29/2019

Owner Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Owner Signature: \_\_\_\_\_ Date: \_\_\_\_\_



3. Property Value Eligibility:

Choose one of the following options:

The property is a Residential Building valued at less than \$3,000,000.

YES  NO

The property is a Commercial/Industrial Building valued at less than \$5,000,000.

YES  NO

\*If the property value exceeds these options, please complete the following: Application of Exemption.

Application for Exemption from Property Tax Valuation

If answered "no" to either question above please explain on a separate sheet of paper, how the property meets the following two criteria and why it should be exempt from the property tax valuations.

1. The site, building, or object, or structure is a particularly significant resource and represents an exceptional example of an architectural style, the work of a master, or is associated with the lives of significant persons or events important to local or natural history; or
2. Granting the exemption will assist in the preservation of a site, building, or object, or structure that would otherwise be in danger of demolition, substantial alteration, or disrepair. (A Historic Structures Report, completed by a qualified historic preservation consultant, must be submitted in order to meet this requirement.)

4. Property Tax Bill

All property owners are required to attach a copy of their recent property tax bill.

PROPERTY OWNER NAMES:

SALLY A SADOSKY Revocable Trust  
SALLY A SADOSKY Trustee

MOST RECENT ASSESSED PROPERTY VALUE:

\$1,794,572

PROPERTY ADDRESS:

2251 Webster St San Francisco CA 94115

5. Other Information

All property owners are required to attach a copy of all other information as outlined in the checklist on page 7 of this application.

By signing below, I/we acknowledge that I/we am/are the owner(s) of the structure referenced above and by applying for exemption from the limitations certify, under the penalty of perjury, that the information attached and provided is accurate.

Owner Signature: Sally Ann Sadosky

Date: 4/29/2019

Owner Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Owner Signature: \_\_\_\_\_

Date: \_\_\_\_\_

5. Rehabilitation/Restoration & Maintenance Plan

A 10 Year Rehabilitation/Restoration Plan has been submitted detailing work to be performed on the subject property. YES  NO

A 10 Year Maintenance Plan has been submitted detailing work to be performed on the subject property. YES  NO

Proposed work will meet the Secretary of the Interior's Standards for the Treatment of Historic Properties and/or the California Historic Building Code. YES  NO

Property owner will ensure that a portion of the Mills Act tax savings will be used to finance the preservation, rehabilitation, and maintenance of the property. YES  NO

Use this form to outline your rehabilitation/restoration plan. Copy this page as necessary to include all items that apply to your property. Begin by listing recently completed rehabilitation work (if applicable) and continue with work you propose to complete within the next ten years, followed by your proposed maintenance work. Arranging all scopes of work in order of priority.

Please note that all applicable Codes and Guidelines apply to all work, including the Planning Code and Building Code. If components of the proposed Plan require approvals by the Historic Preservation Commission, Planning Commission, Zoning Administrator, or any other government body, these approvals must be secured prior to applying for a Mills Act Historical Property Contract. This plan will be included along with any other supporting documents as part of the Mills Act Historical Property contract.

# (Provide a scope number)	BUILDING FEATURE
	Rehab/Restoration <input type="checkbox"/> Maintenance <input type="checkbox"/> Completed <input type="checkbox"/> Proposed <input type="checkbox"/>
CONTRACT YEAR FOR WORK COMPLETION	
TOTAL COST (rounded to nearest dollar)	
DESCRIPTION OF WORK	
See Attached Sheets	

Recording Requested by,  
and when recorded, send notice to:  
Director of Planning  
1650 Mission Street  
San Francisco, California 94103-2414

California Mills Act Historical Property Agreement

PROPERTY NAME (IF ANY)

2251 Webster St 94115  
PROPERTY ADDRESS

San Francisco, California

THIS AGREEMENT is entered into by and between the City and County of San Francisco, a California municipal corporation ("City") and Sally A Sadosky ("Owner(s)"),

RECITALS

Owners are the owners of the property located at 2251 Webster St in San Francisco, California

0612 1 001A  
BLOCK NUMBER LOT NUMBER

The building located at 2251 Webster St Pursuant to PROPERTY ADDRESS

is designated as Historic and Conservation Districts Article 10 Landmarks (e.g. a City Landmark pursuant to Article 10 of the Planning Code) and is also known as the Webster St HISTORIC NAME OF PROPERTY (IF ANY)

Owners desire to execute a rehabilitation and ongoing maintenance project for the Historic Property. Owners' application calls for the rehabilitation and restoration of the Historic Property according to established preservation standards, which it estimates will cost approximately \$ (AMOUNT IN NUMERICAL FORMAT). See Rehabilitation Plan, Exhibit A. (AMOUNT IN WORD FORMAT)

Owners' application calls for the maintenance of the Historic Property according to established preservation standards, which is estimated will cost approximately \$ (AMOUNT IN NUMERICAL FORMAT) annually. See Maintenance Plan, Exhibit B. (AMOUNT IN WORD FORMAT)

The State of California has adopted the "Mills Act" (California Government Code Sections 50280-50290, and California Revenue & Taxation Code, Article 1.9 [Section 439 et seq.] authorizing local governments to enter into agreements with property owners to potentially reduce their property taxes in return for improvement to and maintenance of historic properties. The City has adopted enabling legislation, San Francisco Administrative Code Chapter 71, authorizing it to participate in the Mills Act program.

Owners desire to enter into a Mills Act Agreement (also referred to as a "Historic Property Agreement") with the City to help mitigate its anticipated expenditures to restore and maintain the Historic Property. The City is willing to enter into such Agreement to mitigate these expenditures and to induce Owners to restore and maintain the Historic Property in excellent condition in the future.

NOW, THEREFORE, in consideration of the mutual obligations, covenants, and conditions contained herein, the parties hereto do agree as follows:

Mills Act Application

## 1. Application of Mills Act.

The benefits, privileges, restrictions and obligations provided for in the Mills Act shall be applied to the Historic Property during the time that this Agreement is in effect commencing from the date of recordation of this Agreement.

## 2. Rehabilitation of the Historic Property.

Owners shall undertake and complete the work set forth in Exhibit A ("Rehabilitation Plan") attached hereto according to certain standards and requirements. Such standards and requirements shall include, but not be limited to: the Secretary of the Interior's Standards for the Treatment of Historic Properties ("Secretary's Standards"); the rules and regulations of the Office of Historic Preservation of the California Department of Parks and Recreation ("OHP Rules and Regulations"); the State Historical Building Code as determined applicable by the City; all applicable building safety standards; and the requirements of the Historic Preservation Commission, the Planning Commission, and the Board of Supervisors, including but not limited to any Certificates of Appropriateness approved under Planning Code Article 10. The Owners shall proceed diligently in applying for any necessary permits for the work and shall apply for such permits not less than six (6) months after recordation of this Agreement, shall commence the work within six (6) months of receipt of necessary permits, and shall complete the work within three (3) years from the date of receipt of permits. Upon written request by the Owners, the Zoning Administrator, at his or her discretion, may grant an extension of the time periods set forth in this paragraph. Owners may apply for an extension by a letter to the Zoning Administrator, and the Zoning Administrator may grant the extension by letter without a hearing. Work shall be deemed complete when the Director of Planning determines that the Historic Property has been rehabilitated in accordance with the standards set forth in this Paragraph. Failure to timely complete the work shall result in cancellation of this Agreement as set forth in Paragraphs 13 and 14 herein.

## 3. Maintenance.

Owners shall maintain the Historic Property during the time this Agreement is in effect in accordance with the standards for maintenance set forth in Exhibit B ("Maintenance Plan"), the Secretary's Standards, the OHP Rules and Regulations, the State Historical Building Code as determined applicable by the City; all applicable building safety standards; and the requirements of the Historic Preservation Commission, the Planning Commission, and the Board of Supervisors, including but not limited to any Certificates of Appropriateness approved under Planning Code Article 10.

## 4. Damage.

Should the Historic Property incur damage from any cause whatsoever, which damages fifty percent (50%) or less of the Historic Property, Owners shall replace and repair the damaged area(s) of the Historic Property. For repairs that do not require a permit, Owners shall commence the repair work within thirty (30) days of incurring the damage and shall diligently prosecute the repair to completion within a reasonable period of time, as determined by the City. Where specialized services are required due to the nature of the work and the historic character of the features damaged, "commence the repair work" within the meaning of this paragraph may include contracting for repair services. For repairs that require a permit(s), Owners shall proceed diligently in applying for any necessary permits for the work and shall apply for such permits not less than sixty (60) days after the damage has been incurred, commence the repair work within one hundred twenty (120) days of receipt of the required permit(s), and shall diligently prosecute the repair to completion within a reasonable period of time, as determined by the City. Upon written request by the Owners, the Zoning Administrator, at his or her discretion, may grant an extension of the time periods set forth in this paragraph. Owners may apply for an extension by a letter to the Zoning Administrator, and the Zoning Administrator may grant the extension by letter without a hearing. All repair work shall comply with the design and standards established for the Historic Property in Exhibits A and B attached hereto and Paragraph 3 herein. In the case of damage to twenty percent (20%) or more of the Historic Property due to a catastrophic event, such as an earthquake, or in the case of damage from any cause whatsoever that destroys more than fifty percent (50%) of the Historic Property, the City and Owners may mutually agree to terminate this Agreement. Upon such termination, Owners shall not be obligated to pay the cancellation fee set forth in Paragraph 14 of this Agreement. Upon such termination, the City shall assess the full value of the Historic Property without regard to any restriction imposed upon the Historic Property by this Agreement and Owners shall pay property taxes to the City based upon the valuation of the Historic Property as of the date of termination.

## 5. Insurance.

Owners shall secure adequate property insurance to meet Owners' repair and replacement obligations under this Agreement and shall submit evidence of such insurance to the City upon request.

## 6. Inspections:

Owners shall permit periodic examination of the exterior and interior of the Historic Property by representatives of the Historic Preservation Commission, the City's Assessor, the Department of Building Inspection, the Planning Department, the Office of Historic Preservation of the California Department of Parks and Recreation, and the State Board of Equalization, upon seventy-two (72) hours advance notice, to monitor Owners' compliance with the terms of this Agreement. Owners shall provide all reasonable information and documentation about the Historic Property demonstrating compliance with this Agreement as requested by any of the above-referenced representatives.

## 7. Term.

This Agreement shall be effective upon the date of its recordation and shall be in effect for a term of ten years from such date ("Initial Term"). As provided in Government Code section 50282, one year shall be added automatically to the Initial Term, on each anniversary date of this Agreement, unless notice of nonrenewal is given as set forth in Paragraph 10 herein.

## 8. Valuation.

Pursuant to Section 439.4 of the California Revenue and Taxation Code, as amended from time to time, this Agreement must have been signed, accepted and recorded on or before the lien date (January 1) for a fiscal year (the following July 1-June 30) for the Historic Property to be valued under the taxation provisions of the Mills Act for that fiscal year.

## 9. Termination.

In the event Owners terminates this Agreement during the Initial Term, Owners shall pay the Cancellation Fee as set forth in Paragraph 15 herein. In addition, the City Assessor-Recorder shall determine the fair market value of the Historic Property without regard to any restriction imposed on the Historic Property by this Agreement and shall reassess the property taxes payable for the fair market value of the Historic Property as of the date of Termination without regard to any restrictions imposed on the Historic Property by this Agreement. Such reassessment of the property taxes for the Historic Property shall be effective and payable six (6) months from the date of Termination.

## 10. Notice of Nonrenewal.

If in any year after the Initial Term of this Agreement has expired either the Owners or the City desires not to renew this Agreement that party shall serve written notice on the other party in advance of the annual renewal date. Unless the Owners serves written notice to the City at least ninety (90) days prior to the date of renewal or the City serves written notice to the Owners sixty (60) days prior to the date of renewal, one year shall be automatically added to the term of the Agreement. The Board of Supervisors shall make the City's determination that this Agreement shall not be renewed and shall send a notice of nonrenewal to the Owners. Upon receipt by the Owners of a notice of nonrenewal from the City, Owners may make a written protest. At any time prior to the renewal date, City may withdraw its notice of nonrenewal. If in any year after the expiration of the Initial Term of the Agreement, either party serves notice of nonrenewal of this Agreement, this Agreement shall remain in effect for the balance of the period remaining since the execution of the last renewal of the Agreement.

## 11. Payment of Fees.

Within one month of the execution of this Agreement, City shall tender to Owners a written accounting of its reasonable costs related to the preparation and approval of the Agreement as provided for in Government Code Section 50281.1 and San Francisco Administrative Code Section 71.6. Owners shall promptly pay the requested amount within forty-five (45) days of receipt.

## 12. Default.

An event of default under this Agreement may be any one of the following:

- (a) Owners' failure to timely complete the rehabilitation work set forth in Exhibit A in accordance with the standards set forth in Paragraph 2 herein;
- (b) Owners' failure to maintain the Historic Property in accordance with the requirements of Paragraph 3 herein;
- (c) Owners' failure to repair any damage to the Historic Property in a timely manner as provided in Paragraph 4 herein;
- (d) Owners' failure to allow any inspections as provided in Paragraph 6 herein;
- (e) Owners' termination of this Agreement during the Initial Term;
- (f) Owners' failure to pay any fees requested by the City as provided in Paragraph 11 herein;
- (g) Owners' failure to maintain adequate insurance for the replacement cost of the Historic Property; or
- (h) Owners' failure to comply with any other provision of this Agreement.

An event of default shall result in cancellation of this Agreement as set forth in Paragraphs 13 and 14 herein and payment of the cancellation fee and all property taxes due upon the Assessor's determination of the full value of the Historic Property as set forth in Paragraph 14 herein. In order to determine whether an event of default has occurred, the Board of Supervisors shall conduct a public hearing as set forth in Paragraph 13 herein prior to cancellation of this Agreement.

### 13. Cancellation.

As provided for in Government Code Section 50284, City may initiate proceedings to cancel this Agreement if it makes a reasonable determination that Owners have breached any condition or covenant contained in this Agreement, has defaulted as provided in Paragraph 12 herein, or has allowed the Historic Property to deteriorate such that the safety and integrity of the Historic Property is threatened or it would no longer meet the standards for a Qualified Historic Property. In order to cancel this Agreement, City shall provide notice to the Owners and to the public and conduct a public hearing before the Board of Supervisors as provided for in Government Code Section 50285. The Board of Supervisors shall determine whether this Agreement should be cancelled. The cancellation must be provided to the Office of the Assessor-Recorder for recordation.

### 14. Cancellation Fee.

If the City cancels this Agreement as set forth in Paragraph 13 above, Owners shall pay a cancellation fee of twelve and one-half percent (12.5%) of the fair market value of the Historic Property at the time of cancellation. The City Assessor shall determine fair market value of the Historic Property without regard to any restriction imposed on the Historic Property by this Agreement. The cancellation fee shall be paid to the City Tax Collector at such time and in such manner as the City shall prescribe. As of the date of cancellation, the Owners shall pay property taxes to the City without regard to any restriction imposed on the Historic Property by this Agreement and based upon the Assessor's determination of the fair market value of the Historic Property as of the date of cancellation.

### 15. Enforcement of Agreement.

In lieu of the above provision to cancel the Agreement, the City may bring an action to specifically enforce or to enjoin any breach of any condition or covenant of this Agreement. Should the City determine that the Owners has breached this Agreement, the City shall give the Owners written notice by registered or certified mail setting forth the grounds for the breach. If the Owners do not correct the breach, or if it does not undertake and diligently pursue corrective action, to the reasonable satisfaction of the City within thirty (30) days from the date of receipt of the notice, then the City may, without further notice, initiate default procedures under this Agreement as set forth in Paragraph 13 and bring any action necessary to enforce the obligations of the Owners set forth in this Agreement. The City does not waive any claim of default by the Owners if it does not enforce or cancel this Agreement.

### 16. Indemnification.

The Owners shall indemnify, defend, and hold harmless the City and all of its boards, commissions, departments, agencies, agents and employees (individually and collectively, the "City") from and against any and all liabilities, losses, costs, claims, judgments, settlements, damages, liens, fines, penalties and expenses incurred in connection with or arising in whole or in part from: (a) any accident, injury to or death of a person, loss of or damage to property occurring in or about the Historic Property; (b) the use or occupancy of the Historic Property by the Owners, their Agents or Invitees; (c) the condition of the Historic Property; (d) any construction or other work undertaken by Owners on the Historic Property; or (e) any claims by unit or interval Owners for property tax reductions in excess those provided for under this Agreement. This indemnification shall include, without limitation, reasonable fees for attorneys, consultants, and experts and related costs that may be incurred by the City and all indemnified parties specified in this Paragraph and the City's cost of investigating any claim. In addition to Owners' obligation to indemnify City, Owners specifically acknowledge and agree that they have an immediate and independent obligation to defend City from any claim that actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false, or fraudulent, which obligation arises at the time such claim is tendered to Owners by City, and continues at all times thereafter. The Owners' obligations under this Paragraph shall survive termination of this Agreement.

### 17. Eminent Domain.

In the event that a public agency acquires the Historic Property in whole or part by eminent domain or other similar action, this Agreement shall be cancelled and no cancellation fee imposed as provided by Government Code Section 50285.

### 18. Binding on Successors and Assigns.

The covenants, benefits, restrictions, and obligations contained in this Agreement shall be deemed to run with the land and shall be binding upon and inure to the benefit of all successors and assigns in interest of the Owners.

19. Legal Fees.

In the event that either the City or the Owners fail to perform any of their obligations under this Agreement or in the event a dispute arises concerning the meaning or interpretation of any provision of this Agreement, the prevailing party may recover all costs and expenses incurred in enforcing or establishing its rights hereunder, including reasonable attorneys' fees, in addition to court costs and any other relief ordered by a court of competent jurisdiction. Reasonable attorneys' fees of the City's Office of the City Attorney shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney.

20. Governing Law.

This Agreement shall be construed and enforced in accordance with the laws of the State of California.

21. Recordation.

The contract will not be considered final until this agreement has been recorded with the Office of the Assessor-Recorder of the City and County of San Francisco.

22. Amendments.

This Agreement may be amended in whole or in part only by a written recorded instrument executed by the parties hereto in the same manner as this Agreement.

23. No Implied Waiver.

No failure by the City to insist on the strict performance of any obligation of the Owners under this Agreement or to exercise any right, power, or remedy arising out of a breach hereof shall constitute a waiver of such breach or of the City's right to demand strict compliance with any terms of this Agreement.

24. Authority.

If the Owners sign as a corporation or a partnership, each of the persons executing this Agreement on behalf of the Owners does hereby covenant and warrant that such entity is a duly authorized and existing entity, that such entity has and is qualified to do business in California, that the Owner has full right and authority to enter into this Agreement, and that each and all of the persons signing on behalf of the Owners are authorized to do so.

25. Severability.

If any provision of this Agreement is determined to be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and each other provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

26. Tropical Hardwood Ban.

The City urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood or tropical hardwood product.

27. Charter Provisions.

This Agreement is governed by and subject to the provisions of the Charter of the City.

28. Signatures.

This Agreement may be signed and dated in parts.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as follows:

CARMEN CHU  
ASSESSOR-RECORDER  
CITY & COUNTY OF SAN FRANCISCO

Date

JOHN RAHAIM  
DIRECTOR OF PLANNING  
CITY & COUNTY OF SAN FRANCISCO

Date

APPROVED AS PER FORM:  
DENNIS HERRERA  
CITY ATTORNEY  
CITY & COUNTY OF SAN FRANCISCO

Signature

Date

Print name  
DEPUTY CITY ATTORNEY

Signature

Date

Signature

Date

Print name  
OWNER

Print name  
OWNER

Owner's signatures must be notarized. Attach notary forms to the end of this agreement.  
(If more than one owner, add additional signature lines. All owners must sign this agreement.)



**CALIFORNIA ACKNOWLEDGMENT**  
California Civil Code § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document

State of California

County of SAN JUAN BAPTIST

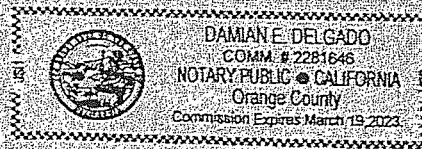
On 5/1/19 before me, Damian Delgado, Notary Public

personally appeared Sally Ann Stacey  
who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)



**OPTIONAL**

*Additional information provided in this section is not required however may deter fraudulent attachment of this certificate to a document other than originally intended.*

**Description of Attached Document:**

Title or Type of Document: Application For Mills Act

Document Date: 5/1/19

Number of Pages: 1

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s):**

Signer's Name: Sally Ann Stacey

Capacity Claimed:

- Individual  Trustee  Attorney-in-Fact
- Guardian or Conservator
- Corporate Officer - Title(s) \_\_\_\_\_
- Other \_\_\_\_\_

Signer is Representing: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s):**

Signer's Name: \_\_\_\_\_

Capacity Claimed:

- Individual  Trustee  Attorney-in-Fact
- Guardian or Conservator
- Corporate Officer - Title(s) \_\_\_\_\_
- Other \_\_\_\_\_

Signer is Representing: \_\_\_\_\_

*Notary Certificate attached pursuant to California Civil Code § 1189*

7. Notary Acknowledgment Form

The notarized signature of the majority representative owner or owners, as established by deed or contract, of the subject property or properties is required for the filing of this application. (Additional sheets may be attached.)

State of California

County of: \_\_\_\_\_

On: \_\_\_\_\_  
DATE

before me, \_\_\_\_\_

INSERT NAME OF THE OFFICER

NOTARY PUBLIC personally appeared: \_\_\_\_\_

NAME(S) OF SIGNER(S)

Who proved to me on the basis of satisfactory evidence to be the person(s) who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
SIGNATURE

(PLACE NOTARY SEAL ABOVE)



City & County of San Francisco  
 José Cisneros, Treasurer  
 David Augustine, Tax Collector  
 Property Tax Bill (Secured)

1 Dr. Carlton B. Goodlett Place  
 City Hall, Room 140  
 San Francisco, CA 94102  
 www.sftreasurer.org

For Fiscal Year July 1, 2018 through June 30, 2019

Vol 05	Block 0612	Lot 001A	Tax Bill No. 024471	Mail Date October 12, 2018	Property Location 2251 WEBSTER ST
-----------	---------------	-------------	------------------------	-------------------------------	--------------------------------------

Assessed on January 1, 2018 at 12:01am

To: SALLY A SADOSKY REVOCABLE TRUS

SALLY A SADOSKY REVOCABLE T  
 SALLY A SADOSKY TRUSTEE  
 3053 FILLMORE ST #197  
 SAN FRANCISCO CA 94123

Description	Assessed Value	
	Full Value	Tax Amount
Land	1,261,101	14,666.60
Structure	540,471	6,285.67
Fixtures		
Personal Property		
Gross Taxable Value	1,801,572	20,952.28
Less HO Exemption	7,000	81.41
Less Other Exemption		
Net Taxable Value	1,794,572	\$20,870.87

Direct Charges and Special Assessments

Code	Type	Telephone	Amount Due
45	LWEA2018TAX	(415) 355-2203	298.00
46	SF BAY RS PARCEL TAX	(510) 286-7193	12.00
89	SFUSD FACILITY DIST	(415) 355-2203	37.52
91	SFCCD PARCEL TAX	(415) 487-2400	99.00
98	SF-TEACHER SUPPORT	(415) 355-2203	251.96
<b>Total Direct Charges and Special Assessments</b>			<b>\$598.48</b>

<b>▶ TOTAL DUE</b>		<b>\$21,569.34</b>
1st Installment		2nd Installment
\$10,784.67		\$10,784.67
DUE 12/10/2018		DUE 04/10/2019

Keep this portion for your records. See back of bill for payment options and additional information.

1763  
11-954210

Sally Ann Sadlosky  
3053 Fillmore St #187  
San Francisco, CA 94123

Date: 4/11/19

Pay to the Order of: San Francisco Tax Collector \$ 10,784.67

Ten thousand seven hundred eighty four and 67/100 Dollars

Bank of America  
Golden Gateway  
500 Battery St  
SF CA

For: 05-Dad 2-001A

*Sally Ann Sadlosky*

⑆121000358⑆1763⑆07893⑆60032⑆



City & County of San Francisco  
Property Tax Bill (Secured)  
For Fiscal Year July 1, 2018 through June 30, 2019

Pay online at [www.sftreasurer.org](http://www.sftreasurer.org)

Vol	Block	Lot	Tax Bill No.	Mail Date	Property Location
05	0612	001A	024471	October 12, 2018	2251 WEBSTER ST

Check if contribution to Arts Fund is enclosed.  
For other donation opportunities go to [www.Give2SF.org](http://www.Give2SF.org)

Detach stub and return with your payment.  
Write your block and lot on your check.  
2nd installment cannot be accepted unless 1st is paid.

2

**2nd Installment Due**  
**\$10,784.67**

San Francisco Tax Collector  
Secured Property Tax  
P.O. Box 7426  
San Francisco, CA 94120-7426

If paid or postmarked after **APRIL 10, 2019**  
the amount due (includes delinquent penalty of 10% and  
other applicable fees) is: **\$11,908.13**

0506120000111 024471 000000000 000000000 0000 2003

## Exhibit A: Rehabilitation/Restoration Plan: 2251 Webster Street

<b>1</b>	<b>Scope Number</b>	<b>Building Feature:</b> West and NW Exterior (Back of House)
Type: Rehab/Restoration, Completed		
Contract Year for Work Completion: 2019		
Total Cost: \$12,650		
<b>Description of Work: Exterior Restoration and Painting</b>		
<p>Exterior painting was required due to old age (more than 8 years ago). Also water was noted coming in through the west facing window on the second floor and the doors on the west side first floor,. Both restoration by fixing the leak as well as prepping and painting was required.</p> <p>Invoice of work details attached.</p>		

<b>2</b>	<b>Scope Number</b>	<b>Building Feature:</b> Windows facing East and West
Type: Rehab/Restoration, Proposed		
Contract Year for Work Completion: 2022		
Total Cost: \$38,000		
<b>Description of Work: Replacement of Windows</b>		
<p>Replace all front facing windows in kind. The windows are regularly maintained, repaired and painted however full replacement is necessary due to extensive dry rot. Replacement windows will match profile, materials and design of original windows.</p> <p>Estimate attached + an additional \$2k for painting which is not included in this bid.</p> <p><i>Work will be done in accordance with the National Park Service's Preservation Brief #10: Exterior Paint Problems on Historic Woodwork and Preservation Brief #47: Maintaining the Exterior of Small and Medium Size Historic Buildings.</i></p>		

<b>3</b>	<b>Scope Number</b>	<b>Building Feature: Interior plaster and lathe replacement</b>
Type: Rehab/Restoration, Proposed		
Contract Year for Work Completion: 2022		
Total Cost: \$1500		
<b>Description of Work: Repair the interior plaster and lathe</b>		
<p>Work to be done in conjunction with the window replacement. Clean and repair the plaster and lathe that was damaged due to a recently repaired leak on the exterior of the building.</p> <p>Estimate attached.</p> <p><i>Work will be done in conformance with the Secretary of the Interior's Standards and in accordance with the National Park Service's Preservation Brief #21: Repairing Historic Flat Plaster Walls and Ceilings</i></p>		

<b>4</b>	<b>Scope Number</b>	<b>Building Feature: Front Door (which is original)</b>
Type: Rehab/Restoration, Proposed		
Contract Year for Work Completion: 2029		
Total Cost: \$16,500		
<b>Description of Work: Replace or continually repair the Front Door</b>		
<p>Replace original front door with new custom wood door to replicate the existing door. Current door is regularly painted and repaired as needed, but due to age, the wood is splitting and the seams are coming apart a little bit more each year.</p> <p>(Estimate based on estimate provide by neighbor who has identical door)</p> <p><i>Work will be done in conformance with the Secretary of the Interior's Standards.</i></p>		

<b>5</b> Scope Number    Building Feature: Roof
Type: Rehab/Restoration, Proposed
Contract Year for Work Completion: 2022
Total Cost: \$3200
<b>Description of Work: Repair Roof</b>
<ol style="list-style-type: none"> <li>1) Clean up drain and entire roof</li> <li>2) Seal all nail exposures with strong roof chalking</li> <li>3) Seal all roof penetrations such as roof jacks, air vents, chimney</li> <li>4) Replace one air vent flashing that is installed improperly. It needs a roof membrane torch down to prevent future leaks.</li> </ol> <p>Estimate for work in 2020 is attached</p> <p><i>All work will be done in conformance with the Secretary of the Interior's Standards.</i></p>

<b>6</b> Scope Number    Building Feature: Roof
Type: Rehab/Restoration, Proposed
Contract Year for Work Completion: 2029
Total Cost: \$20,000
<b>Description of Work: Roof Replacement</b>
<p>A full roof replacement in kind plus and additional restoration work needed as determined at that time.</p> <p><i>Work will be done in conformance with the Secretary of the Interior's Standards.</i></p>

**7 Scope Number**      **Building Feature: East Exterior (front of the house)**

**Type:** Rehab/Restoration, Proposed

**Contract Year for Work Completion:** 2026

**Total Cost:** \$31,910

**Description of Work: Restoration and Painting the Front Exterior**

Restoration work will include: replace flashing on five of the window ledges, two bay window ledges and front door ledge to prevent further dry rot. Replacing several of the trim pieces where moisture is entering and causing dry rot. Pieces will be replicated to be exactly as original

Painting of work will include: Sanding and prep weak spots to avoid future water and dry rot. Bondo and/or Caulk all seams on trim pieces, windows, doors as necessary, putty all nail holes. Paint front door, make any necessary restoration work to the front door.

Estimates based on if the work was to be done in 2019:  
Scaffolding estimate \$1,960; Restoration estimate: \$6,500. Painting estimate to match current 7 color scheme \$23,450

Note, Invoice attached from 2014. Similar scope of work. \$21,609

*Work will be done in accordance with the National Park Service's Preservation Brief #10: Exterior Paint Problems on Historic Woodwork and Preservation Brief #47: Maintaining the Exterior of Small and Medium Size Historic Buildings.*



<b>8</b>	<b>Scope Number</b>	<b>Building Feature: West Facing Exterior door to Garage</b>
<b>Type: Rehab/Restoration, Proposed</b>		
<b>Contract Year for Work Completion: 2028</b>		
<b>Total Cost: \$2500</b>		
<b>Description of Work: Replace Door leading into the back of the garage</b>		
<p>A contractor recently inspected the exterior rear door to the garage and highly recommended having it replaced due to dry rot and safety. New door will be a simple wood door that is compatible with the design of the building and the historic district.</p> <p>See the window estimate from Ocean Window and Door. Door estimate is \$1500 + labor which is all included in the window bid.</p>		

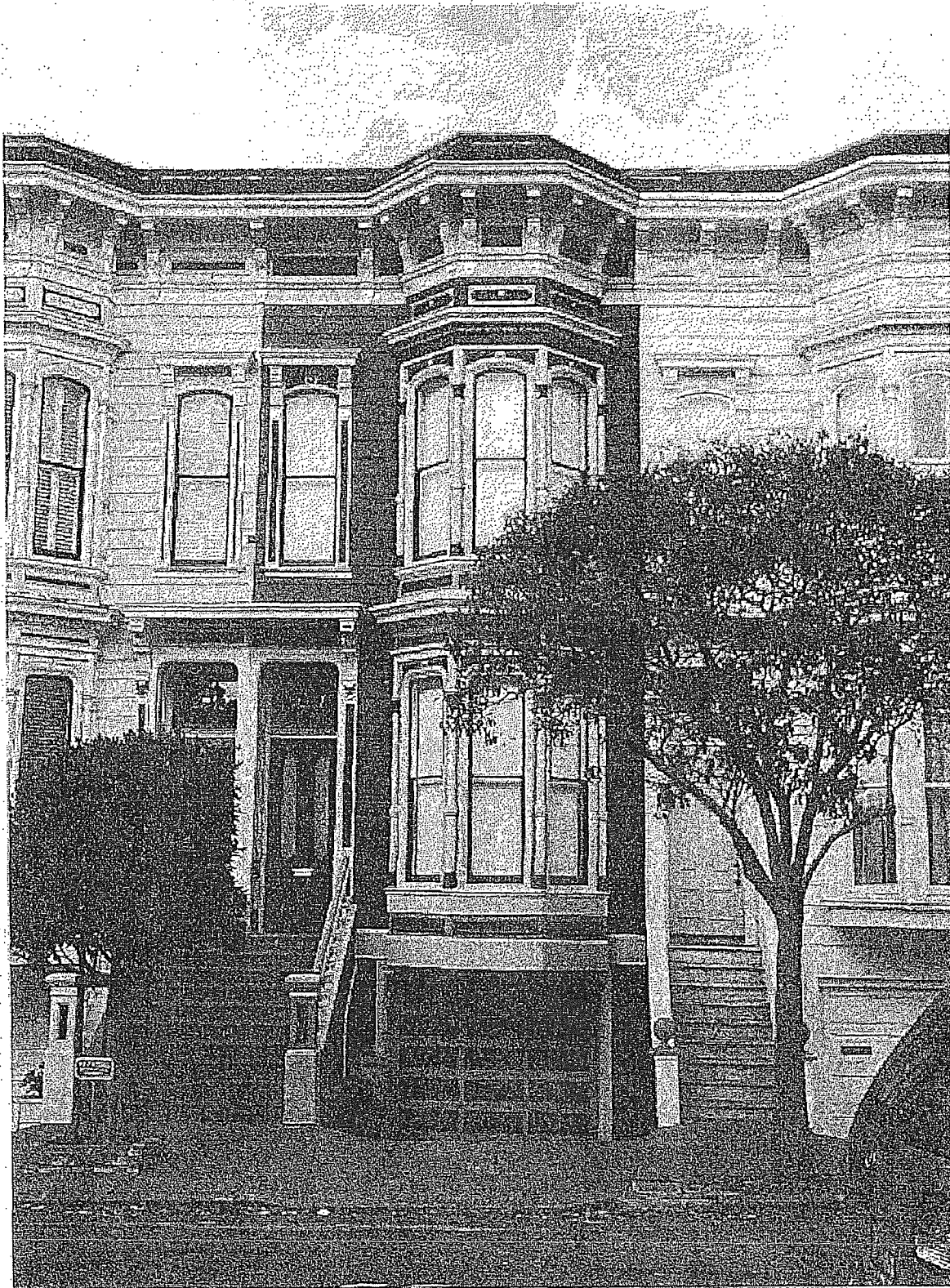
## Exhibit B: Maintenance Plan: 2251 Webster Street

<b>I</b> Scope Number	Building Feature: Front and rear exterior: East and West Facing
<b>Type:</b> Maintenance: Completed and Proposed	
<b>Contract Year for Work Completion:</b> 2019 and each year when major painting work is not being scheduled	
<b>Total Cost:</b> \$1,800 per year once a year (minus the years where painting is happening)	
<b>Description of Work:</b> Professional wash Front and Rear Exterior Building	
<p>Professional wash on the exterior of the building</p> <p>Estimate from 2017 attached and only for the front of the house. Note: 2018 front washing only was paid for by neighbor due to their massive construction project.</p> <p>All washing will be performed using the gentlest means possible.</p> <p><i>Work will be done in conformance with the Secretary of the Interior's Standards and Preservation Brief #47: Maintaining the Exterior of Small and Medium Size Historic Buildings.</i></p>	

<b>2</b>	<b>Scope Number</b>	<b>Building Feature:</b> Front and rear exterior: East and West Facing
<b>Type:</b> Maintenance: Proposed		
<b>Contract Year for Work Completion:</b> 2020 and each year when major painting work is not being scheduled		
<b>Total Cost:</b> \$600		
<b>Description of Work:</b> Inspect all the wooden elements of the house when the washing is being performed		
<p>When doing the professional washing, the painter and his crew agreed to inspect the front and back of the house. They will inspect the wooden elements of the façade and windows looking for damage or deterioration. If found, the extent and nature of the damage will be assessed. Any needed repairs will avoid altering, removing or obscuring character-defining features of the building. If any elements are determined to be damaged or deteriorated beyond repair, replacements will be made in kind (e.g., wood for wood). This maintenance routine will be informed by the guidance outlined in the National Park Service's Preservation Brief 47: Maintaining the Exterior of Small and Medium Size Historic Buildings.</p> <p>The estimate for the inspection only is an annotation on Maintenance Scope 1 estimate as a result of a phone conversation with my painter/contractor.</p> <p><i>Work will be done in conformance with the Secretary of the Interior's Standards and Preservation Brief #47: Maintaining the Exterior of Small and Medium Size Historic Buildings and National Park Service's Preservation Brief #10: Exterior Paint Problems on Historic Woodwork.</i></p>		

<b>3</b> Scope Number    Building Feature: Front and Rear Windows
Type: Maintenance, Proposed
Contract Year for Work Completion: 2019 and each year twice a year
Total Cost: \$480 each year (\$240 twice a year)
<b>Description of Work: Window Washing twice a year</b>
<p>Professionally wash every window.</p> <p>See estimate attached.</p> <p><i>Work will be done in conformance with the Secretary of the Interior's Standards and Preservation Brief #47: Maintaining the Exterior of Small and Medium Size Historic Buildings.</i></p>

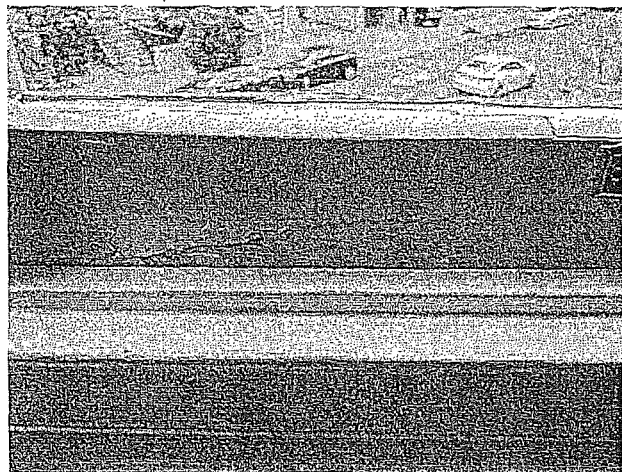
2251 Webster St. Owner: Sally Sadosky



Scope 1: Work completed in 2019 on the back of the house where the worst leaks were occurring and finished painting restoration

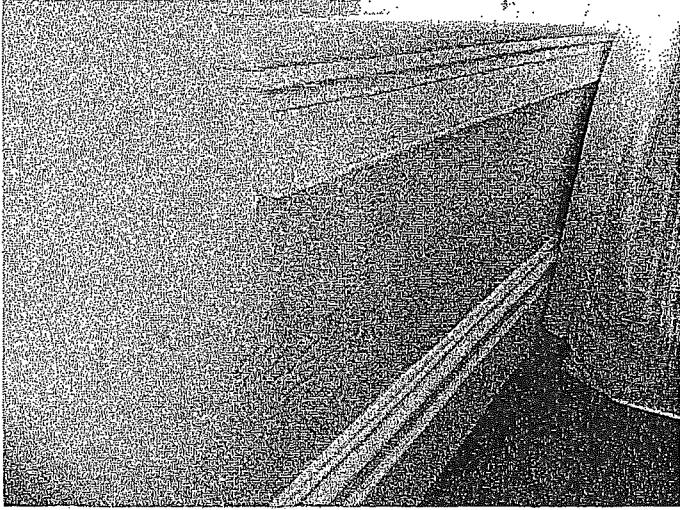


Scope 2: Example of the condition of the windows where the Bondo is cracking. I also have to use paper in the seams to prevent rattling and one of the windows is actually cracked.



Scope 3:

Needed repairs to the interior wall due to a recently fixed leak from the exterior of the house. Work to be done when the windows are replaced



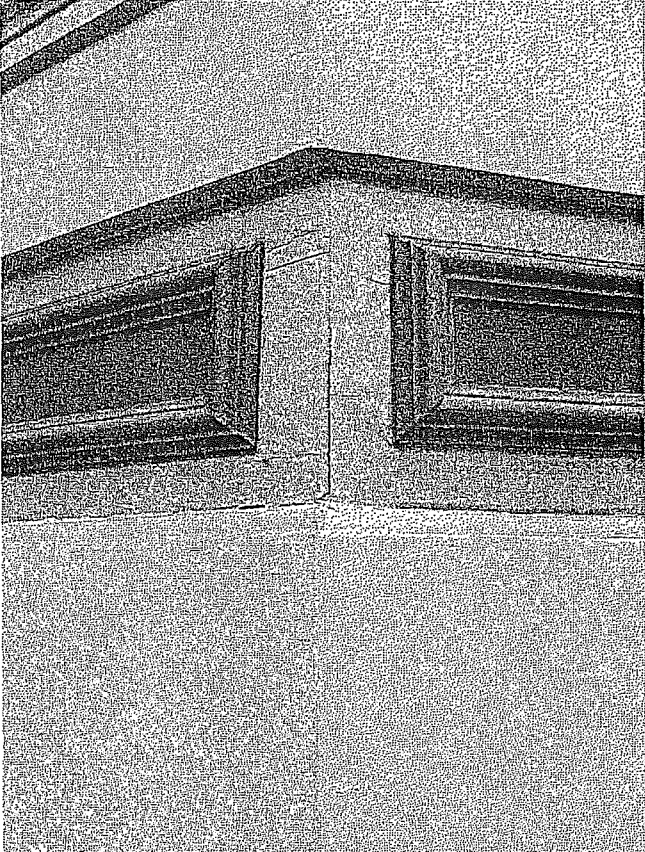


Scope 4:

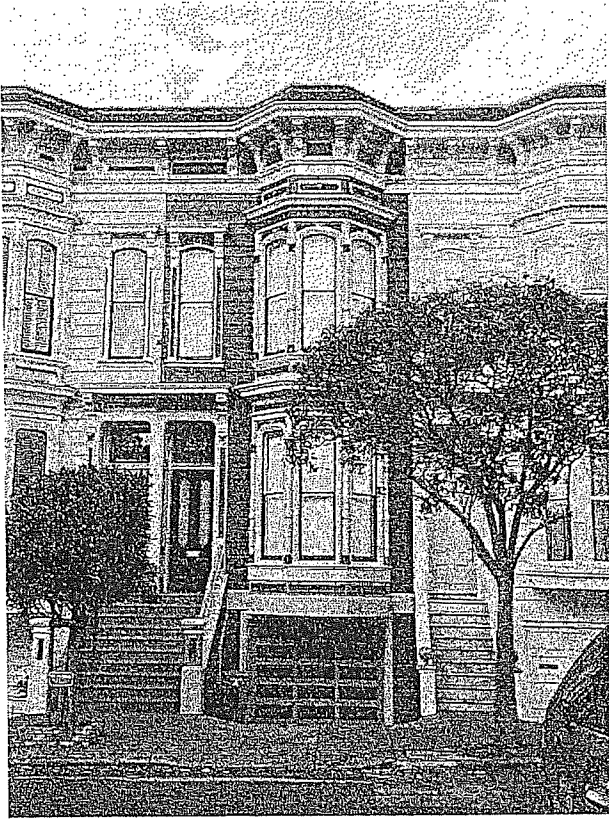
Deterioration on the door will require a new door and step. Right now the restoration is using wood filler and touch up paint



Scope 6: Examples of areas where restoration is required on the front of the house + new paint:



Current view of 2251 Webster St



House prior to my restoration and paint work in 2014



Scope 7: Exterior door in the back of the garage that is currently under the deck. It needs to be replaced due to dry rot



Casey Professional Painters

Invoice

Trust is what we create

DATE: 02/15/2019

225 Mirada ave  
San Rafael Ca 94903  
Phone: [415-609-2126]  
kcpaintingsf@gmail.com

INVOICE # 3825  
License # 964463

Customer

Sally Sadosky  
2251 Webster ave  
San Francisco

DESCRIPTION	AMOUNT
Interior Painting (see estimate attached for final details)	\$3,600
Interior and Exterior Restoration Work (see estimate attached for final details)	\$3,800
Exterior Rear Painting (see estimate attached for final details)	\$8,850
<b>Total Cost Of Project</b>	<b>\$16,250</b>

Thank You For Your Business!

NOTE: Only the last 2 items are relevant for the hills Act

\$12,650

Scope 1

Exterior Rear

Page 1 of 3

Client:

% Sally Sadosky  
Site Address: 2251 Webster St  
San Francisco  
2/1/19

Casey Pro Painting Inc.  
225 Mirada Avenue  
San Rafael, CA 94903  
C.S.L.B. Lic #964463

Description of Work: Page 1

Interior Painting:

Cover All Floors, tape all tiling & cover furniture before painting  
Kitchen Paint Walls in Semi Gloss, Ceiling in Semi gloss, Trim doors in High Gloss.  
Paint Master Bath Walls, Ceilings in Eggshell, Trim in semi gloss  
Paint Window Trim on interiors of Office Bay windows & Living front room  
Touch up Trim throughout home  
Touch up the front door paint

Labor & Materials Included:

Estimated Time 4 Days  
Estimated Cost Painting \$ 3600  
Actual Cost of Painting \$ 3600

Interior and Exterior Restoration Work:

Scrapped and Bondo 7 front windows all showing considerable decay. Prep for painting.  
Wood fill the visible cracks in the front door  
Identified source of the leak to rear patio door and trim.  
Fixed the leak and replaced trim parts to match  
Identified source of the leak to the rear bedroom window.  
Fixed the leak and replaced the original trim parts. NOTE, did not repair/replace the  
damaged plaster and lathe on the interior wall.

Labor & Materials Included:

Estimated Time 2 Days  
Actual Time 4 Days  
Estimated Cost \$ 2000  
Actual Cost of work: \$ 3800

Scope 1  
Exterior Rear  
Page 2 of 3

**Client:**

% Sally Sadosky

Site Address: 2251 Webster St

San Francisco

2/1/19

Casey Pro Painting Inc.

225 Mirada Avenue

San Rafael, CA 94903

C.S.L.B. Lic #964463

Description of Work Page 2

Exterior Painting

Pressure Wash Back of House

Sand & Prep Back of building. Prime, caulk & patch

Secondary Prime to seal whole back siding & trim, spray finish two coats white in semi gloss Prep Two Side Windows & paint

Ladders only, no scaffolding required

Labor & Materials included

Estimated Time 6/7 Days

Actual Time 6 Days

Estimated Cost Painting \$ 8850

Actual Cost Painting \$ 8850

Total Cost \$16,250

\*\*Casey Painting is a Licensed Contractor in California. Fully Bonded with General Liability

Insurance. All employees are covered under Workers Compensation Insurance.

RRP Lead removal Certified.

Scope 1:  
Extensr Rear  
Page 3 of 3

Terry McDaniel  
 General Contractor - license # 660688  
 329 Sausalito St. Corte Madera, CA 94925  
 phone: 415-306-4528  
 email: [info@terrymcdanielconstruction.com](mailto:info@terrymcdanielconstruction.com)

## Proposal

Job: Sally Sadosky  
 2251 Webster St  
 San Francisco, CA  
 415-298-0036

May 20, 2019

SCOPE OF WORK: Remove and dispose of 11 existing windows and one door. Install new sashes, as listed below, in existing openings. Sashes made by Ocean Sash & Door- two options listed.

### GENERAL REQUIREMENTS & SITE WORK

Site Prep to protect surrounding areas from dust, construction debris, workers foot traffic and tools / Site Clean-Up / Pick-up and deliver materials to job site / Off-haul & Dump fees/ GC time acquire permit/stand for inspection

	\$ 1,520.00
Permit Allowance	\$ 1,200.00

### MATERIALS

**Option A: E-Pac double hung tilt-in sash sets w/ vinyl jamb liners, 1 lite ea sash, Insulated glass low E2, hardware, Epoxy and prime coated.**

Living room:

3	26 x 90 1/4 x 1 1/2"	Arched upper sash,	\$1,668.00 ea	\$ 5,004.00
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Den:

1	28 x 85 x 1 1/2"			\$ 1,352.00
---	------------------	--	--	-------------

Upstairs office:

3	26 x 86 x 1 1/2"	Arched upper sash, IG low E2 Noise Redux glass,	\$1,668.00 ea	\$ 5,004.00
---	------------------	---	---------------	-------------

1	28 x 86 x 1 1/2"	Arched upper sash		\$ 1,668.00
---	------------------	-------------------	--	-------------

Bath:

1	24 x 61 x 1 1/2"	IG low E2 -Tempered		\$ 1,224.00
---	------------------	---------------------	--	-------------

Back bedroom:

1	33 3/4 x 77 x 1 1/2"			\$ 1,350.00
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Master bath:

1	34 x 77 x 1 1/2"			\$ 1,350.00
---	------------------	--	--	-------------

Alley:

1	32 x 70 x 1 3/4	Fiberglass door only, cut to fit and prep for lockset	\$	480.00
---	-----------------	---	----	--------

Sales tax			\$	1,525.30
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Window & door Total			\$	18,957.30
---------------------	--	--	----	-----------

Materials for installation			\$	600.00
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Materials Total			\$	19,557.30
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**Option B: Double hung sash sets w/ lead counter weights, Insulated glass low E2, hardware, epoxy and prime coated.**

3	26 x 90 1/4 x 1 1/2"	Arched upper sash,	\$1,378.00 ea	\$ 4,134.00
1	28 x 85 x 1 1/2"			\$ 1,160.00
3	26 x 86 x 1 1/2"	Arched upper sash, IG low E2 Noise Redux glass,	\$1,378.00 ea	\$ 4,134.00
1	28 x 86 x 1 1/2"	Arched upper sash		\$ 1,378.00
1	24 x 61 x 1 1/2"	IG low E2 -Tempered		\$ 1,028.00
1	33 3/4 x 77 x 1 1/2"			\$ 1,135.00
1	34 x 77 x 1 1/2"			\$ 1,135.00
1	32 x 70 x 1 3/4	Fiberglass door only, cut to fit and prep for lockset	\$	480.00
<u>Sales tax</u>				\$ 1,276.10
Window & door Total				\$15,860.10
<u>Materials for installation</u>				\$ 600.00
Materials Total				\$16,460.10

#### CARPENTRY

Remove and dispose of 11 existing windows and 1 door as listed above. Install new windows and door in existing openings. \$ 9,120.00

#### OVERHEAD & PROFIT (15%)

Admin / Insurance / Company truck & gas/ Equipment & tools	Option A	\$ 4,709.59
	Option B	\$ 4,245.00
<b>JOB COST</b>	<b>Option A</b>	<b>\$36,106.89</b>
	<b>Option B</b>	<b>\$32,545.10</b>

#### **Exclusions:**

Painting is not included.

Any work that is not specifically stated above is not included.

### **HOME IMPROVEMENT AGREEMENT**

Sally Sadosky, 2251 Webster St. San Francisco CA, telephone number (415) 298-0036 (hereinafter collectively "Client") signed this agreement.

The Agreement entered into with McDaniel Construction, California Contractor's License No. 660688, General Building Contractor (herein collectively "Contractor") and the "Notice of Cancellation" may be mailed to Contractor, and otherwise be contacted, at the following address: McDaniel Construction, 329 Sausalito St. Corte Madera, CA 94925 telephone number (415) 306-4528.

#### **01 CONTRACTOR'S RESPONSIBILITY**

(I) Contractor shall furnish, unless specifically excluded in this Agreement to be the responsibility of others or client, all necessary (i) equipment; (ii) materials; (iii) supplies; (iv)

Scope 2 Estimate page 2 or 2. Note: the rest of the contract from the estimate is not included. I just included the cost (\$) part.

**ESTIMATE**

**Client:**

% Sally Sadosky  
Site Address: 2251 Webster St  
San Francisco  
4/15/19

Casey Pro Painting Inc.  
225 Miranda Avenue  
San Rafael, CA 94903  
C.S.L.B. Lic #964463

Description of Work (to be done at different times):

Interior Painting → *Scope 3*

Cover Floors, tape trim & cover furniture before Painting  
Scrap and repair damaged plaster  
Skim coat and sand a minimum of 3 times to ensure a smooth surface  
Paint using owners paint  
Labor & Materials Included  
Estimated Time 1 Day  
Estimated Cost Painting \$ 1200

Paint New Front Door → *Scope 4 PAINT ONLY*

Sand, prep and paint  
Paint with highest Gloss water-based Exterior paint on the market. Owner to make recommendation. Minimum of 3 coats are estimated  
Paint on the interior door to match existing trim  
Labor & Materials Included  
Estimated Time 2.5 Days (return visit required for second coat)  
Estimated Cost \$ 1500

Paint New Windows → *Scope 2 PAINT ONLY*

Tape windows and clean  
Sand, prep and paint interior and exterior windows  
Paint to match existing owners trim  
9 windows, interior and exterior  
Labor & Materials included  
Estimated Time 3 Days  
Estimated Cost \$2500

Actual costs and time will be updated when the work is scheduled

*Scope 2 paint  
Scope 3  
Scope 4 paint*

Roof report

Date	02 / 22 / 2019
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Peninsula Roofing  
(650) 630-7663  
(650) 270-5141 Ivan

Bill to/ Name, address 2251 Webster st San Francisco CA
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<p>Job description</p> <p>Roof repairs/ maintenance:</p> <ol style="list-style-type: none"><li>1. Clean up drain and entire roof</li><li>2. Seal all nail exposures with strong roof chalking.</li><li>3. Seal all roof penetrations such as roof jacks, air vents, chimney.</li><li>4. One air vent flashing was installed improperly, it needs a roof membrane torch down to prevent future leak.</li><li>5. Repair several areas of dry rot / decay on the flashing.</li></ol> <p>Rest of the roof looks good. Should last another 3-5 years depending on the conditions of the weather. Estimate of entire roof is not available until closer to the date based on the scope of repairs and replacement costs. If done today, the cost would be in excess of \$20,000.</p>
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Total for materials and labor for the repairs.	\$3,200.00
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Scope 5!  
Roof Estimate for  
Fix & Replace  
Scope 5

Casey Professional Painters

Invoice

Trust is what we create

DATE: 10/9/2014

225 Mirada ave  
San Rafael Ca 94903  
Phone: [415-609-2126]  
kcpaintingsf@gmail.com

INVOICE # S2151  
License # 964463

Customer:

Sally Sadosky  
2251 Webster ave  
San Francisco

DESCRIPTION	AMOUNT
Exterior Paint Project	
Pressure Wash Front Of Building	
Prep & Sand down all Front of Building	
Applied Exterior Primer to whole front inc Door	
Applied Bondo to all Siding and Cracks	
Caulked & Sealed whole front of building	
Applied Window putty to windows where needed and fully cleaned all Windows	
Front Door Sanded /Bondo applied Caulked and High gloss Oil applied(Fine Euro Pa	
Six main Colors applied to front Building at least three coats of finish applied	
Gold Leaf 22kt sanded/gilded and materials: not included, will be billed separately	
All paints & Materials included:	
Original Estimate time	18 Days
Original Estimate Cost	\$15,500
Extra's/Payments	
Labor 1 Painter 4 Days(4*\$440) 550/hr /8hrs	\$1,760.00
Gold Leaf application( 33 hours @ \$70 p/hr)	\$2,310.00
Gold Leaf materials:	\$889.00
Total Cost Of Project	\$20,459.00
Less 2 Payments (\$3000 +\$ 3500)	\$6,500.00
New Total Invoice	\$13,959.00

Thank You For Your Business!

NOTE: This is the invoice from 2014 Exterior  
FRONT PAINT WORK

Scope 6  
Exterior  
FRONT pgy/bz

Casey Professional Painters

Invoice

Trust is what we create.

225 Mirada ave  
San Rafael Ca 94903  
Phone: [415-609-2126]  
kcpaintings@gmail.com

DATE: 10/9/2014  
INVOICE #: S2151a  
License #: 954463

Customer:

Sally Sadosky  
2251 Webster ave  
San Francisco

DESCRIPTION	AMOUNT
Scaffolding - Make check Payable directly to YK Scaffolding	\$1,150.00

Thank You For Your Business!

Scope 6  
page 2 of 2

Casey Professional Painters

Invoice

Trust is what we create.	DATE	1/15/2017
225 Mirada ave	INVOICE #	3009
San Rafael Ca 94903	License #	964463
Phone: [415-609-2126]		
kcpaintings@gmail.com		
<b>Customer:</b>		
Sally Sadosky		
2251 Webster ave		
San Francisco		
DESCRIPTION		AMOUNT
Powerwash Front Exterior		\$1200
Total Cost Of Project		\$1200
<i>Thank You For Your Business!</i>		

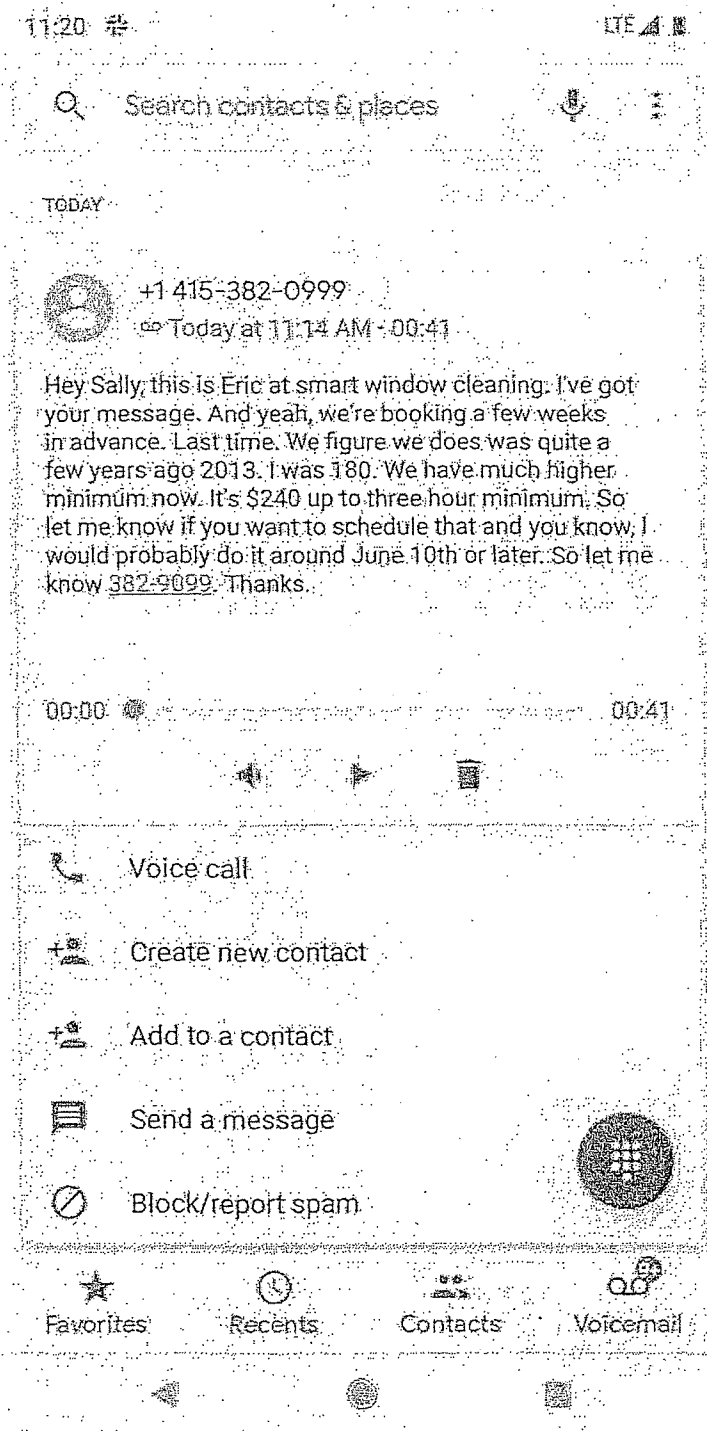
Maintenance Scope 2:

Note: In talking to my painter, he agreed to do an annual inspection at the same time as doing the power washing (both front and back of the house)

~~Scope 1 MAINTENANCE~~

Note: this estimate contains both Maintenance Scope 1 and 2

Estimate from Smart Window Cleaning who has done my windows in years past. This is a transcript from his voice mail to me. Left on May 23, 2:14pm.



← NOTE: Estimate was left on a voicemail. this is the transcript. Date of call is May 23, 2:14pm.

**Three Way Value Comparison**      Lesser of the 3 Comparisons

APN	Address	Property Type	Owner Occupied	Year Built	Square Feet	2019 Factored Base Year Value	Restricted Value by Income	Market Value	Taxable Mills Act Value	Reduction in Assessed Value	Percentage % Reduction From FBV	2018 Property Tax Rate	Estimated Property Tax Savings
05-0612-001A	2251 Webster	Single Family	Yes	1900	1,586	\$ 1,837,603	\$ 618,000	\$ 1,840,000	\$ 618,000	\$ (1,219,603)	-66.37%	1.1630%	(\$14,184)
06-0866-014	64 Potomac	Single Family	Yes	1900	1,750	\$ 2,550,000	\$ 600,000	\$ 2,500,000	\$ 600,000	\$ (1,950,000)	-76.47%	1.1630%	(\$22,679)
23-3517-035	1401 Howard	Office	No	1913	21,943	\$ 18,458,740	\$12,700,000	\$13,700,000	\$ 12,700,000	\$ (5,758,740)	-31.20%	1.1630%	(\$66,974)
23-3542-062	2168-2174 Market	Retail	No	1907	17,132	\$ 684,218	\$ 4,030,000	\$ 6,850,000	\$ 684,218	\$ -	0.00%	1.1630%	\$0
24-3640-031	2731-2735 Folsom	3-units	Yes / No	1900	5,200	\$ 6,170,997	\$ 3,119,000	\$ 6,500,000	\$ 3,119,000	\$ (3,051,997)	-49.46%	1.1630%	(\$35,495)





SAN FRANCISCO  
PLANNING DEPARTMENT

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO

2019.OCT 15 PM 2:25

BY AK

October 15, 2018

Ms. Angela Calvillo, Clerk  
Board of Supervisors  
City and County of San Francisco  
City Hall, Room 244  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
415.558.6378

Fax:  
415.558.6409

Planning  
Information:  
415.558.6377

Re: Transmittal of Planning Department Case Numbers: 2019-006323MLS;  
2019-006384MLS; 2019-006322MLS; 2019-005831MLS; 2019-006455MLS

Six Individual Mills Act Historical Property Contract Applications for the  
following addresses: 2251 Webster Street; 1401 Howard Street; 64 Potomac  
Street; 2168 Market Street; 2731-2735 Folsom Street

BOS File Nos: \_\_\_\_\_ (pending)

Historic Preservation Commission Recommendation: Approval

Dear Ms. Calvillo,

On October 2, 2019 the San Francisco Historic Preservation Commission (hereinafter  
"Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to  
consider the proposed Mills Act Historical Property Contract Applications. At the October 2,  
2018 hearing, the Commission voted to approve the proposed Resolutions.

The Resolutions recommend the Board of Supervisors approve the Mills Act Historical Property  
Contracts as each property is a historical resource and the proposed Rehabilitation and  
Maintenance plans are appropriate and conform to the *Secretary of the Interior's Standard for the  
Treatment of Historic Properties*. Please refer to the attached exhibits for specific work to be  
completed for each property.

The Project Sponsors submitted the Mills Act applications on May 1, 2019. As detailed in the  
Mills Act application, the Project Sponsors have committed to Rehabilitation and Maintenance  
plans that will include both annual and cyclical scopes of work. The Mills Act Historical  
Property Contract will help the Project Sponsors mitigate expenditures and enable the Project  
Sponsors to maintain their historic properties in excellent condition in the future.

The Planning Department will administer an inspection program to monitor the provisions of  
the contract. This program will involve a yearly affidavit issued by the property owner verifying  
compliance with the approved Maintenance and Rehabilitation plans as well as a cyclical 5-year  
site inspection.

www.sfplanning.org

Transmittal Materials  
Mills Act Historical Property Contracts

The Mills Act Historical Property Contracts are time sensitive. Contracts must be recorded with the Assessor-Recorder by December 30, 2019 to become effective in 2020. We respectfully request these items be introduced at the next available hearing date. Your prompt attention to this matter is appreciated.

If you have any questions or require further information, please do not hesitate to contact me.

Sincerely,



Aaron D. Starr  
Manager of Legislative Affairs

cc: John Carroll, Office of the Clerk of the Board  
Andrea Ruiz-Esquide, City Attorney's Office

Attachments:

Mills Act Contract Case Report, dated October 2, 2019  
Assessor Valuation Table

**2251 Webster Street**

Historic Preservation Commission Resolution  
Draft Mills Act Historical Property Contract  
Draft Rehabilitation & Maintenance Plans  
Draft Mills Act Valuation provided by the Assessor-Recorder's Office  
Mills Act Application

**1401 Howard Street**

Historic Preservation Commission Resolution  
Draft Mills Act Historical Property Contract  
Draft Rehabilitation & Maintenance Plans  
Draft Mills Act Valuation provided by the Assessor-Recorder's Office  
Mills Act Application  
Historic Structure Report

**64 Potomac Street**

Historic Preservation Commission Resolution  
Draft Mills Act Historical Property Contract  
Draft Rehabilitation & Maintenance Plans  
Draft Mills Act Valuation provided by the Assessor-Recorder's Office  
Mills Act Application

**2168 Market Street**

Historic Preservation Commission Resolution

**Transmittal Materials  
Mills Act Historical Property Contracts**

Draft Mills Act Historical Property Contract  
Draft Rehabilitation & Maintenance Plans  
Draft Mills Act Valuation provided by the Assessor-Recorder's Office  
Mills Act Application  
Historic Structure Report

**2731-2735 Folsom Street**  
Historic Preservation Commission Resolution  
Draft Mills Act Historical Property Contract  
Draft Rehabilitation & Maintenance Plans  
Draft Mills Act Valuation provided by the Assessor-Recorder's Office  
Mills Act Application

