

File No. 171102

Committee Item No. 6

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight

Date: November 1, 2017

Board of Supervisors Meeting:

Date: _____

Cmte Board

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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input 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 |
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| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
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OTHER

(Click the text below for a direct link to the document)

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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Case Report - October 4, 2017</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>HPC Reso. No. 905 - October 4, 2017</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Mills Act Agreement</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Rehabilitation-Maintenance Plan</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Assessor's Valuation</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Mills Act Application</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Planning Department Letter - October 10, 2017</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Form 126</u> |

Prepared by: John Carroll

Date: October 27, 2017

Prepared by: _____

Date: _____

1 [Mills Act Historical Property Contract - 627 Waller Street]

2

3 **Resolution approving an historical property contract between John Hjelmstad and**
4 **Allison Bransfield, the owners of 627 Waller 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 the historical property contract.**

7

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

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

15 WHEREAS, Said determination is on file with the Clerk of the Board of Supervisors in
16 File No. 171102, is incorporated herein by reference, and the Board herein affirms it; and

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

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

23 WHEREAS, 627 Waller Street is designated as a Contributor to the Duboce Park
24 Historic District under Article 10 of the Planning Code and thus qualifies as an historical
25 property as defined in Administrative Code, Section 71.2; and

1 WHEREAS, A Mills Act application for an historical property contract has been
2 submitted by John Hjelmstad and Allison Bransfield, the owners of 627 Waller Street, detailing
3 rehabilitation work and proposing a maintenance plan for the property; and

4 WHEREAS, As required by Administrative Code, Section 71.4(a), the application for
5 the historical property contract for 627 Waller Street was reviewed by the Assessor's Office
6 and the Historic Preservation Commission; and

7 WHEREAS, The Assessor-Recorder has reviewed the historical property contract and
8 has provided the Board of Supervisors with an estimate of the property tax calculations and
9 the difference in property tax assessments under the different valuation methods permitted by
10 the Mills Act in its report transmitted to the Board of Supervisors on October 11, 2017, which
11 report is on file with the Clerk of the Board of Supervisors in File No. 171102 and is hereby
12 declared to be a part of this Resolution as if set forth fully herein; and

13 WHEREAS, The Historic Preservation Commission recommended approval of the
14 historical property contract in its Resolution No. 905, including approval of the Rehabilitation
15 Program and Maintenance Plan, attached to said Resolution, which is on file with the Clerk of
16 the Board of Supervisors in File No 171102 and is hereby declared to be a part of this
17 resolution as if set forth fully herein; and

18 WHEREAS, The draft historical property contract between John Hjelmstad and Allison
19 Bransfield, the owners of 627 Waller Street, and the City and County of San Francisco is on
20 file with the Clerk of the Board of Supervisors in File No. 171102 and is hereby declared to be
21 a part of this resolution as if set forth fully herein; and

22 WHEREAS, The Board of Supervisors has conducted a public hearing pursuant to
23 Administrative Code, Section 71.4(d) to review the Historic Preservation Commission's
24 recommendation and the information provided by the Assessor's Office in order to determine
25 whether the City should execute the historical property contract for 627 Waller Street; and

1 WHEREAS, The Board of Supervisors has balanced the benefits of the Mills Act to the
2 owner of 627 Waller Street with the cost to the City of providing the property tax reductions
3 authorized by the Mills Act, as well as the historical value of 627 Waller Street and the
4 resultant property tax reductions, and has determined that it is in the public interest to enter
5 into a historical property contract with the applicants; now, therefore, be it

6 RESOLVED, That the Board of Supervisors hereby approves the historical property
7 contract between John Hjelmstad and Allison Bransfield, the owners of 627 Waller Street, and
8 the City and County of San Francisco; and, be it

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

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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:
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Planning
Information:
415.558.6377

Hearing Date: October 4, 2017
Staff Contact: Shannon Ferguson – (415) 575-9074
shannon.ferguson@sfgov.org
Reviewed By: Tim Frye – (415) 575-6822
tim.frye@sfgov.org

a. Filing Date: May 1, 2017
Case No.: 2017-005434MLS
Project Address: **215 and 229 Haight Street** (formerly 55 Laguna Street)
Landmark District: Landmark Nos. 257, 258 (Woods Hall and Woods Hall Annex)
Zoning: NC-3 – Neighborhood Commercial, Moderate Scale;
RM-3 – Residential Mixed, Medium Density; P – Public
Height & Bulk: 85-X, 50-X, 40-X
Block/Lot: 0857/002
Applicant: Alta Laguna, LLC
20 Sunnyside Ave., Suite B
Mill Valley, CA 94941

b. Filing Date: May 1, 2017
Case No.: 2017-005884MLS
Project Address: **56 Potomac Street**
Landmark District: Duboce Park Historic District Contributor
Zoning: RH-2 (Residential-House-Two Family)
Height and Bulk: 40-X
Block/Lot: 0866/012
Applicant: Jason Monberg & Karli Sager
105 Steiner Street
San Francisco, CA 94117

c. Filing Date: May 1, 2017
Case No.: 2017-004959MLS
Project Address: **60-62 Carmelita Street**
Landmark District: Duboce Park Historic District Contributor
Zoning: RH-2 (Residential-House-Two Family)
Height and Bulk: 40-X
Block/Lot: 0864/014
Applicant: Patrick Mooney & Stephen G. Tom
62 Carmelita Street
San Francisco, CA 94117

**Mill Act Applications
October 4, 2017**

2017-005434MLS; 2017-005884MLS; 2017-004959MLS; 2017-005396MLS; 2017-005880MLS; 2017-005887MLS; 2017-005419MLS; 2017-006300MLS
55 Laguna Street; 56 Potomac Street; 60-62 Carmelita Street; 101 Vallejo Street; 627 Waller Street; 940 Grove Street; 973 Market Street; 1338 Filbert Street

- d. Filing Date:** May 1, 2017
Case No.: 2017-005396MLS
Project Address: **101 Vallejo Street**
Landmark District: San Francisco Landmark No. 91 (Gibb-Sanborn Warehouses), contributor to the Northeast Waterfront Historic District, and individually listed on the National Register of Historic Places
Zoning: C-2 (Community Business)
Height and Bulk: 65-X
Block/Lot: 0141/013
Applicant: 855 Front Street LLC
610 W. Ash Street, Ste. 1503
San Diego, CA 92101
- e. Filing Date:** May 1, 2017
Case No.: 2017-005880MLS
Project Address: **627 Waller Street**
Landmark District: Duboce Park Historic District Contributor
Zoning: RTO (Residential Transit Oriented District)
Height and Bulk: 40-X
Block/Lot: 0864/012
Applicant: John Hjelmstad & Allison Bransfield
627 Waller
San Francisco, CA 94117
- f. Filing Date:** May 1, 2017
Case No.: 2017-005887MLS
Project Address: **940 Grove Street**
Landmark District: Contributor to the Alamo Square Historic District
Zoning: RH-3 (Residential-House, Three Family)
Height and Bulk: 40-X
Block/Lot: 0798/058
Applicant: Smith-Hantas Family Trust
940 Grove Street
San Francisco, CA 94117
- g. Filing Date:** May 1, 2017
Case No.: 2017-005419MLS
Project Address: **973 Market Street**
Landmark District: Contributor to the Market Street Theater and Loft National Register Historic District
Zoning: C-3-G (Downtown-General)
Height and Bulk: 120-X
Block/Lot: 3704/069
Applicant: Raintree 973 Market Newco LLC
28202 Cabot Rd., Ste. 300

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Laguna Nigel, CA 92677

h. Filing Date: May 1, 2017
Case No.: 2017-006300MLS
Project Address: 1338 Filbert Street
Landmark District: Landmark No. 232 (1338 Filbert Cottages)
Zoning: RH-2 (Residential- House, Two Family)
Height and Bulk: 40-X
Block/Lot: 0524/031, 032, 033, 034
Applicant: 1338 Filbert LLC
30 Blackstone Court
San Francisco, CA 94123

PROPERTY DESCRIPTIONS

- a. **215 and 229 Haight Street (formerly 55 Laguna Street):** The subject property is located on the northwest corner of Haight and Buchanan streets, Assessor's Parcel 0857/002. The subject property is within a NC-3 – Neighborhood Commercial, Moderate Scale and RM-3 – Residential Mixed, Medium Density; P – Public zoning district and 85-X and 50-X Height and Bulk district. The property is designated as San Francisco Landmark Nos. 257 and 258. The Spanish style Woods Hall and Woods Hall Annex were built in 1926 and 1935, respectively, for the San Francisco State Teacher's College (San Francisco Normal School) for use as a science building. Completed in phases as Works Progress Administration (WPA) funds became available, Woods Hall Annex also contains a WPA mural by Rueben Kadish known as "A Dissertation on Alchemy," which is located at the top of the stairwell at the east end of Woods Hall Annex. The property was rehabilitated in 2015-2016 as multiple-family housing.
- b. **56 Potomac Street:** The subject property is located on the east side of Potomac Street between Waller Street and Duboce Park, Assessor's Parcel 0866/012. The subject property is located within a RH-2 (Residential-House-Two Family) zoning district and a 40-X Height and Bulk district. The property is a contributing building to the Duboce Park Historic District. It is a two-story plus basement, wood frame, single-family dwelling originally designed in the Shingle style and built in 1899 by builder George H. Moore and altered with smooth stucco cladding at the primary façade at an unknown date.
- c. **60-62 Carmelita Street:** The subject property is located on the east side of Carmelita Street between Waller Street and Duboce Park, Assessor's Parcel 0864/014. The subject property is located within a RH-2 (Residential-House-Two Family) zoning district and a 40-X Height and Bulk district. The property is a contributing building to the Duboce Park Historic District. It is a two-story plus basement, wood frame, multiple-family dwelling originally designed in the Edwardian style and built in 1899 and altered with smooth stucco cladding at the primary façade at an unknown date.
- d. **101 Vallejo Street:** The subject property is located on the southwest corner of Vallejo and Front streets, Assessor's Parcel 0141/013. The subject property is located within a C-2 (Community Business) zoning and a 65-X Height and Bulk district. The property is designated as San Francisco

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Landmark No. 91 (Gibb-Sanborn Warehouses), is a contributor to the Northeast Waterfront Historic District, and is individually listed on the National Register of Historic Places. It is a two-story plus basement, heavy timber and brick warehouse building designed in the Commercial Style and built in 1855 for merchant Daniel Gibb who also built the subject property's twin at the northwest corner of Vallejo and Front streets. Both buildings appear to be the oldest surviving warehouses in San Francisco.

- e. **627 Waller Street:** The subject property is located on the south side of Waller Street between Carmelita and Pierce streets, Assessor's Parcel 0864/022. The subject property is located within a RTO (Residential Transit Oriented District) zoning district and a 40-X Height and Bulk district. The property is a contributing building to the Duboce Park Historic District. It is a two-and-half-story plus basement, wood-frame, single-family dwelling designed in the Queen Anne style and built in 1899.
- f. **940 Grove Street:** The subject property is located on the northwest corner of Grove and Steiner streets, Assessors' Parcel 0798/058. The subject property is located within a RH-3 (Residential-House, Three Family) zoning district and a 40-X Height and Bulk district. The property is a contributing building to the Alamo Square Historic District. It is a two-and-half-story plus basement, wood frame, single-family dwelling designed in the Queen Anne style by master architect Albert Pissis and built in 1895.
- g. **973 Market Street:** The subject property is located on the south side of Market Street between 5th and 6th streets, Assessor's Parcel 3704/069. The subject property is located within a C-3-G (Downtown-General) zoning district and a 120-X Height and Bulk district. The property, known as the Wilson Building is a contributing building to the Market Street Theater and Loft National Register Historic District. The seven story plus basement steel frame building was designed by master architect Willis Polk in 1900 and the Byzantine terra cotta façade survived the 1906 earthquake.
- h. **1338 Filbert Street:** The subject property is located on the north side of Filbert Street between Polk and Larkin streets. Assessor's Parcels 0524/031, 0524/032, 0524/033, 0524/034. The subject property is located within a RH-2 (Residential – House, Two Family) and a 40-X Height and Bulk District. The property is San Francisco Landmark No. 232, 1338 Filbert Cottages. It consists of four, two-story, wood frame, single family dwellings designed in a vernacular post-earthquake period style with craftsman references and built in 1907 with a 1943 addition.

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

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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

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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.

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.

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PUBLIC/NEIGHBORHOOD INPUT

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

STAFF ANALYSIS

The Department received eight Mills Act applications by the May 1, 2017 filing date. The Project Sponsors, Planning Department Staff, and the Office of the City Attorney have negotiated the eight 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, with the exception of 60-62 Carmelita Street. Please see below for complete analysis.

- a. **215 and 229 Haight Street (formerly 55 Laguna 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). The subject property qualifies for an exemption as it is designated as San Francisco Landmark Nos. No. 257 and 259, Woods Hall and Woods Hall Annex. 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 or substantial alterations.

The applicant completed substantial rehabilitation of the building in 2016, including the roof, roof drainage system, exterior wall repair and painting, wood window repair and in-kind replacement, metal window repair and replacement, repair and in-kind replacement of exterior light fixtures, and moving of the Sacred Palm. Work to interior character-defining features in the lobby, corridor, and stairs was also completed in 2016. The proposed Rehabilitation Plan includes stabilizations and repair of the Ruben Kadish Mural by a conservator.

The proposed Maintenance Plan includes annual inspection of the exterior walls, roof drainage system, exterior lightwells, windows, roof and care of the Sacred Palm. Inspections and painting of the walls, roof drainage system, windows, will occur every ten years. 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.

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- b. **56 Potomac Street:** The applicant proposes to amend the 2013 Mills Act Contract in whole. The property owners applied for a Mills Act Contract in 2013. The Historic Preservation Commission recommended approval of the Mills Act Contract on December 4, 2013 and the Mills Act Contract was adopted by the Board of Supervisors on December 17, 2013. Said determination is on file with the Clerk of the Board of Supervisors in File No. 131159. The 2013 Rehabilitation Plan included replacement of front stairs, repainting and replacement of windows on the front and rear facades. The applicant proposes to amend the 2013 Mills Act Contract in whole to complete remodel of the interior and exterior rear façade.

As detailed in the 2017 Mills Act application, the applicant proposes to restore the front façade 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 and Restoration.

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 subject property qualifies for an exemption as a contributor the Duboce Park Historic District.

The proposed Rehabilitation Plan includes work to the front façade including, exploratory demolition of the stuccoed front facade to determine if any historic cladding remains and restoration of the façade based on documentary evidence; seismic evaluation and seismic upgrade as necessary; in kind roof replacement with asphalt shingles; retention and repair of historic front door; replacement of front stairs with compatible design and materials; and in-kind repair or replacement of fixed and double-hung wood windows.

The proposed Maintenance Plan includes annual inspection of primarily front façade including the foundation, front stairs and porch, siding, windows, attic and roof with in-kind repair of any deteriorated elements as necessary. 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.

- c. **60-62 Carmelita 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 and Preservation with the exception of Rehabilitation Plan Scope #4, installation of a garage.

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 subject property qualifies for an exemption as a contributor to the Duboce Park Historic District.

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The applicant completed rehabilitation work to the building in 2016, including seismic upgrade to the foundation, exterior painting, and repair and reglazing of terrazzo front steps. The proposed Rehabilitation Plan includes installation of garage and roof replacement.

Department Recommendation: The Department recommends revisions to the Rehabilitation and Maintenance plans, specifically: Scope #4, Installation of garage. While the work was approved by the Historic Preservation Commission through Motion No. 0298 on January 18, 2017, the proposed scope of work does not conform to the overall purpose and intent of the Mills Act Program. Installing a garage is not necessary to rehabilitate and preserve the building. The Department recommends this scope of work be removed in order to forward a positive recommendation to the Board of Supervisors.

The proposed Maintenance Plan includes inspection of windows every five years, and inspection of the roof, gutters, downspouts, siding, and paint every two years. 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.

- d. **101 Vallejo 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 and Preservation.

The subject property is currently valued by the Assessor's Office as over \$3,000,000 (see attached Market Analysis and Income Approach reports). The subject property qualifies for an exemption as it is designated as Landmark No. 91 (Gibb-Sanborn Warehouses) under Article 10 of the Planning Code, a contributor to the Northeast Waterfront Historic District, and individually listed on the National Register of Historic Places. 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 or substantial alterations.

The proposed Rehabilitation Plan includes structural upgrade, roof replacement, repair to skylights, foundation, watertable, brick façade, metal windows entryways, parapet bracing, and repair to character defining interior features such as the heavy timber framing.

The proposed Maintenance Plan includes annual inspection of the roof, skylights, parapet bracing, roof drainage system, foundation, watertable, windows and entryways. Any needed repairs will be made in kind and will avoid altering, removing or obscuring character-defining features of the building.

Mill Act Applications
October 4, 2017

2017-005434MLS; 2017-005884MLS; 2017-004959MLS; 2017-005396MLS; 2017-005880MLS; 2017-005887MLS; 2017-005419MLS; 2017-006300MLS
55 Laguna Street; 56 Potomac Street; 60-62 Carmelita Street; 101 Vallejo Street; 627 Waller Street; 940 Grove Street; 973 Market Street; 1338 Filbert Street

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.

- e. **627 Waller 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 and Preservation.

The subject property is currently valued by the Assessor's Office as over \$3,000,000. The subject property qualifies for an exemption as a contributor to the Duboce Park Historic District. 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 or substantial alterations.

The applicant has already completed a rehabilitation work to the property, including repair of a leak at the rear of the house. The proposed Rehabilitation Plan includes further repair of the leak at the rear of the house, replacement of the skylight, front stairway, concrete driveway with permeable paving, front windows with double hung wood windows with ogee lugs, roof and repainting of the house.

The proposed Maintenance Plan includes annual inspection all elevations, front stairs, and windows; and inspection of the roof every five years. Any needed repairs resulting from inspection 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.

- f. **940 Grove 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 and Preservation.

The subject property is currently valued by the Assessor's Office as over \$3,000,000 (all four parcels; see attached Market Analysis and Income Approach reports). The subject property qualifies for an exemption as it is a contributor to the Alamo Square Historic District. 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 or substantial alterations.

The applicant has already completed a substantial rehabilitation work to the property in 2015, including seismic improvements, entrance portico rehabilitation, exterior wood siding

**Mill Act Applications
October 4, 2017**

2017-005434MLS; 2017-005884MLS; 2017-004959MLS; 2017-005396MLS; 2017-005880MLS; 2017-005887MLS; 2017-005419MLS; 2017-006300MLS
55 Laguna Street; 56 Potomac Street; 60-62 Carmelita Street; 101 Vallejo Street; 627 Waller Street; 940 Grove Street; 973 Market Street; 1338 Filbert Street

rehabilitation and repair, and retaining wall rehabilitation. The proposed Rehabilitation Plan includes exterior repainting, repair to concrete retaining wall and steps, and roof replacement.

The proposed Maintenance Plan includes annual inspection of the condition of the paint, windows and doors, site grading and drainage. Inspection of the siding and trim and roof will occur every five years. Any needed repairs resulting from inspection 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.

- g. **973 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, Preservation and Restoration.

The subject property is currently valued by the Assessor's Office as over \$3,000,000 (all four parcels; see attached Market Analysis and Income Approach reports). The subject property qualifies for an exemption as it is a contributor to the Market Street Theater and Loft National Register Historic District. 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 or substantial alterations

The applicant has already completed a substantial rehabilitation work to the property, including seismic upgrade, terra cotta repair, window replacement, storefront system replacement, masonry and fire escape repair, and roof replacement. The proposed Rehabilitation Plan includes replacement of windows and storefronts to more closely match the historic and roof replacement.

The proposed Maintenance Plan includes annual inspection of the foundation, terra cotta, windows, storefront system, masonry, fire escape and roof on a five to ten year cycle. 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.

- h. **1338 Filbert Street:** The applicant is reapplying for a Mills Act Contract. The property owners applied for a Mills Act Contract in 2016. The Historic Preservation Commission recommended approval of the Mills Act Contract on October 5, 2016 through Resolution No. 793. It was tabled by the Board of Supervisors on November 3, 2016.

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, Preservation and Restoration.

The subject property is currently valued by the Assessor's Office as over \$3,000,000 (all four parcels; see attached Market Analysis and Income Approach reports). The subject property qualifies for an exemption as it is designated San Francisco Landmark No. 232, 1338 Filbert Cottages. 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 or substantial alterations

The applicant has already completed a substantial rehabilitation work to the property, including historic resource protection during construction; seismic upgrade; in-kind roof replacement; and in-kind gutter replacement. The proposed Rehabilitation Plan includes retention and in-kind replacement of siding; structural reframing; retention and in-kind replacement of doors and windows; exterior painting; and restoration of the garden.

The proposed Maintenance Plan includes annual inspection of the garden, downspouts, gutters and drainage; inspection of doors and windows, millwork every two years; inspection of wood siding and trim every three years; selected repainting every four years; and inspection of the roof every five years with in-kind repair of any deteriorated elements as necessary. 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.

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:

- a. **215 and 229 Haight Street:** (formerly 55 Laguna Street): 21.33%
- b. **56 Potomac Street:** 26.51%

Mill Act Applications 2017-005434MLS; 2017-005884MLS; 2017-004959MLS; 2017-005396MLS; 2017-005880MLS; 2017-005887MLS; 2017-005419MLS; 2017-006300MLS
October 4, 2017 55 Laguna Street; 56 Potomac Street; 60-62 Carmelita Street; 101 Vallejo Street; 627 Waller Street; 940 Grove Street; 973 Market Street; 1338 Filbert Street

- c. 60-62 Carmelita: 50.40%
- d. 101 Vallejo Street: 29.76%
- e. 627 Waller Street: 59.43%
- f. 940 Grove Street: 62.26%
- g. 973 Market Street: 37.56%
- h. 1338 Filbert Street: #A: 25.16%, #B: 18.36%, #C: 24.74%, and #D: 17.59%

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:
 1. 215 and 229 Haight Street (formerly 55 Laguna Street),
 2. 56 Potomac Street,
 3. 101 Vallejo Street,
 4. 627 Waller Street,
 5. 940 Grove Street,
 6. 973 Market Street
 7. 1338 Filbert Street
- The Planning Department recommends that the Historic Preservation Commission adopt a resolution recommending **approval with conditions** of the Mills Act Historical Property Contract and Rehabilitation and Maintenance Plans for 60-62 Carmelita Street. Conditions of approval include:
 1. Revisions to the Rehabilitation and Maintenance Plans for 60-62 Carmelita Street, specifically removing Scope #4, Installation of garage. While the work was approved by the Historic Preservation Commission through Motion No. 0298 on January 18, 2017, the proposed scope of work does not conform to the overall purpose and intent of the Mills Act Program. Installing a garage is not necessary to rehabilitate and preserve the building. The Department recommends this scope of work be removed in order to forward a positive recommendation to the Board of Supervisors.

ISSUES AND OTHER CONSIDERATIONS

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

Mill Act Applications
October 4, 2017

2017-005434MLS; 2017-005884MLS; 2017-004959MLS; 2017-005396MLS; 2017-005880MLS; 2017-005887MLS; 2017-005419MLS; 2017-006300MLS
55 Laguna Street; 56 Potomac Street; 60-62 Carmelita Street; 101 Vallejo Street; 627 Waller Street; 940 Grove Street; 973 Market Street; 1338 Filbert Street

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. **215 & 229 Haight Street (formerly 55 Laguna)**
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 and Historic Structure Report

- b. **56 Potomac Street**
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

- c. **60-62 Carmelita Street**
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. **101 Vallejo Street**
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 and Historic Structure Report

- e. **627 Waller Street**
Draft Resolution
Draft Mills Act Historical Property Contract
Draft Rehabilitation Program & Maintenance Plan

**Mill Act Applications
October 4, 2017**

2017-005434MLS; 2017-005884MLS; 2017-004959MLS; 2017-005396MLS; 2017-005880MLS; 2017-005887MLS; 2017-005419MLS; 2017-006300MLS
55 Laguna Street; 56 Potomac Street; 60-62 Carmelita Street; 101 Vallejo Street; 627 Waller Street; 940 Grove Street; 973 Market Street; 1338 Filbert Street

Draft Mills Act Valuation provided by the Assessor-Recorder's Office
Pre-Approval Inspection Report
Mills Act Application and Historic Structure Report

f. 940 Grove Street

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 and Historic Structure Report

g. 973 Market Street

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 and Historic Structure Report

h. 1338 Filbert Street

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 and Historic Structure Report

Case No. 2017-005880MLS
Project Address: **627 Waller Street**
Landmark District: Duboce Park Historic District Contributor
Zoning: RTO (Residential Transit Oriented District)
Height and Bulk: 40-X
Block/Lot: 0864/012
Applicant: John Hjelmstad & Allison Bransfield
627 Waller
San Francisco, CA 94117

SITE PHOTO



AERIAL PHOTO



SUBJECT PROPERTY



SAN FRANCISCO PLANNING DEPARTMENT

Historic Preservation Commission Resolution No. 905

HEARING DATE OCTOBER 4, 2017

Case No.: 2017-005880MLS
Project Address: 627 Waller Street
Landmark District: Duboce Park Historic District Contributor
Zoning: RTO (Residential Transit Oriented District)
Height and Bulk: 40-X
Block/Lot: 0864/012
Applicant: John Hjelmstad & Allison Bransfield
627 Waller
San Francisco, CA 94117
Staff Contact: Shannon Ferguson – (415) 575-9074
shannon.ferguson@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

ADOPTING FINDINGS RECOMMENDING TO THE BOARD OF SUPERVISORS APPROVAL OF THE MILLS ACT HISTORICAL PROPERTY CONTRACT, REHABILITATION PROGRAM, AND MAINTENANCE PLAN FOR 627 WALLER 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 627 Waller Street is listed under Article 10 of the San Francisco Planning Code Planning Code as a Contributor to the Duboce Park Historic District and thus qualifies as a historic property; and

WHEREAS, The Planning Department has reviewed the Mills Act Application, Historical Property Contract, Historical Property Contract, Rehabilitation Program, and Maintenance Plan for 627 Waller Street, which are located in Case Docket No. 2017-005880MLS. The Planning Department recommends approval of the Mills Act historical property contract, rehabilitation program, and maintenance plan; and

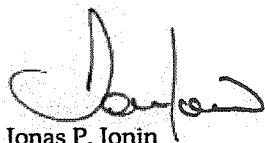
WHEREAS, The Historic Preservation Commission (HPC) recognizes the historic building at 627 Waller Street as an historical resource and believes the Rehabilitation Program and Maintenance Plan are appropriate for the property; and

WHEREAS, At a duly noticed public hearing held on October 4, 2017, the Historic Preservation Commission reviewed documents, correspondence and heard oral testimony on the Mills Act Application, Historical Property Contract, Rehabilitation Program, and Maintenance Plan for 627 Waller Street, which are located in Case Docket No. 2017-005880MLS.

THEREFORE BE IT RESOLVED that the Historic Preservation Commission hereby recommends that the Board of Supervisors approve the Mills Act Historical Property Contract, including the Rehabilitation Program, and Maintenance Plan for the historic building located at 627 Waller Street, attached herein as Exhibits A and B, and fully incorporated by this reference.

BE IT FURTHER RESOLVED That the Historic Preservation Commission hereby directs its Commission Secretary to transmit this Resolution, the Mills Act Historical Property Contract, including the Rehabilitation Program, and Maintenance Plan for 627 Waller Street, and other pertinent materials in the case file 2017-005880MLS to the Board of Supervisors.

I hereby certify that the foregoing Resolution was ADOPTED by the Historic Preservation Commission on October 4, 2017.



Jonas P. Ionin
Commissions Secretary

AYES: Wolfram, Hyland, Johnck, Johns, Matsuda, Pearlman

NOES: None

ABSENT: None

ADOPTED: October 4, 2017

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
627 WALLER STREET
SAN FRANCISCO, CALIFORNIA**

THIS AGREEMENT is entered into by and between the City and County of San Francisco, a California municipal corporation ("City") and John Hjelmstad and Allison Bransfield ("Owners").

RECITALS

Owners are the owners of the property located at 627 Waller Street, in San Francisco, California (Block 0866, Lot 012). The building located at 627 Waller is designated as a Contributor to the Duboce Park 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.

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 Ninety two thousand, five hundred dollars (\$92,500.00). (See Rehabilitation Plan, Exhibit A.) Owners' application calls for the maintenance of the Historic Property according to established preservation standards, which is estimated will cost approximately two thousand dollars (\$2,000.00) 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.

Owners desire 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 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:

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 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 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 12 and 13 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 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 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 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 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 and Compliance Monitoring. Prior to entering into this Agreement and every five years thereafter, and upon seventy-two (72) hours advance notice, Owners 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 Owners' compliance with this Agreement. Throughout the duration 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 ("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 Owners 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 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 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 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 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, Owners shall pay the City the reasonable costs related to the preparation and approval of the Agreement. In addition, Owners 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) 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 as set forth in Exhibit B, 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 or requests for information, as provided in Paragraph 6 herein;
- (e) Owners' failure to pay any fees requested by the City as provided in Paragraph 10 herein;
- (f) Owners' failure to maintain adequate insurance for the replacement cost of the Historic Property, as required by Paragraph 5 herein; or
- (g) 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 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 Owners have 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 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.

13. Cancellation Fee. If the City cancels this Agreement as set forth in Paragraph 12 above, and as required by Government Code Section 50286, 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.

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 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 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 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.

15. 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.

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 Owners. Successors in interest and assigns shall have the same rights and obligations under this Agreement as the original Owners who entered into the Agreement.

18. 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.

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 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.

23. 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.

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: _____ (signature) DATE: _____
_____ (name), Assessor-Recorder

By: _____ (signature) DATE: _____
_____ (name), Director of Planning

APPROVED AS TO FORM:
DENNIS J. HERRERA
CITY ATTORNEY

By: _____ (signature) DATE: _____
_____ (name), Deputy City Attorney

OWNERS

By: _____ (signature) DATE: _____
_____ (name), Owner

By: _____ (signature) DATE: _____
_____ (name), Owner

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

Exhibit A: Rehabilitation/Restoration Plan: 627 Waller Street

1 Scope Number	Building Feature: Rear of house
Type: Rehab/Restoration, Completed	
Contract Year for Work Completion: 2016	
Total Cost: \$5500 (\$3000 sealing, \$2500 façade)	
Description of Work:	
Repair leak at rear of house traced to deteriorated Fortaflash and Tyvex sealing along rear door at the 3rd level landing associated with significant water leakage into house prior to winter 2017. Replaced door framing, placed tar paper, added new layer of sealing (not pictured), sealed door area, replaced siding and moulding; restored/repainted repaired area. Significantly reduced leakage.	

2 Scope Number	Building Feature: Rear of house
Type: Rehab/Restoration, Proposed	
Contract Year for Work Completion: 2018	
Total Cost: Unknown, est. \$4000-\$12,000	
Description of Work:	
Repair leaking along rear of house and associated water damage. Currently manifests as warped flooring in 3rd floor bedroom and water damage below 2nd floor kitchen window. Scope of work and cost are limited to exterior repair.	

3 Scope Number	Building Feature: Skylight
Type: Rehab/Restoration, Proposed	
Contract Year for Work Completion: 2018	
Total Cost: \$3500	
Description of Work:	
<p>Replace cracked and aging east roof skylight and deteriorating surround with new skylight with flat glass. Replacement to be sealed to prevent future deterioration and leakage.</p>	

4 Scope Number	Building Feature: Front stairway
Type: Rehab/Restoration, Proposed	
Contract Year for Work Completion: 2019	
Total Cost: \$10,000	
Description of Work:	
<p>Replace front stairway railing with period appropriate treatment. Work with city or private historic preservation planners to determine optimal approach balancing both historic treatment and code compliance.</p>	

5 Scope Number	Building Feature: Driveway
Type: Rehab/Restoration, Proposed	
Contract Year for Work Completion: 2020	
Total Cost: \$10,000	
Description of Work:	
<p>Replace concrete in front of garage with permeable concrete or pavers and potential landscaping in concert and accordance with the SF Planning Department.</p>	

6 Scope Number	Building Feature: Front facade windows
Type: Rehab/Restoration, Proposed	
Contract Year for Work Completion: 2023	
Total Cost: \$25,000	
Description of Work:	
Replace front windows with wood double-hung windows including ogee lugs to better reflect original period style.	

7 Scope Number	Building Feature: Primary façade, side and rear elevations
Type: Rehab/Restoration, Proposed	
Contract Year for Work Completion: 2022 and 2027	
Total Cost: \$20,000	
Description of Work:	
Re-paint house. Ensure proper sealing and cosmetic finish. In doing so, repair or replace in kind cracked wood shingles and other decorative elements.	

8 Scope Number	Building Feature: Roof
Type: Rehab/Restoration, Proposed	
Contract Year for Work Completion: 2022	
Total Cost: \$20,000	
Description of Work:	
While both sides of the building's roof were repaired in 2013 to resolve significant leaking issues, the roof itself is estimated at around 15 years old. Replace the roof at the end of its life (roughly 20yr total age of roof).	

Exhibit B: Maintenance Plan: 627 Waller Street

9 Scope Number	Building Feature: Primary façade, front stairs, side and rear elevations
Type: Maintenance, Proposed	
Contract Year for Work Completion: Annual	
Total Cost: \$1,200/year	
Description of Work:	
Inspection and cleaning of front façade, front stairs, side and rear elevations. Service to be performed by hand, for optimal long term upkeep.	

10 Scope Number	Building Feature: Primary façade, and front stairs, side and rear elevations
Type: Maintenance, Proposed	
Contract Year for Work Completion: Annual	
Total Cost: Variable, est. \$400	
Description of Work:	
Touch up and minor repair in kind on primary façade, front stairs, side and rear elevations, as identified during inspection/cleaning process.	

11 Scope Number	Building Feature: Windows
Type: Maintenance, Proposed	
Contract Year for Work Completion: Annual	
Total Cost: Variable, est. \$400	
Description of Work:	
Inspect windows annually for leaks or deterioration with repairs as necessary.	

12 Scope Number	Building Feature: Roof
Type: Maintenance, Proposed	
Contract Year for Work Completion: Every 5 years	
Total Cost: Variable, est. \$500 per event	
Description of Work:	
Inspection of roof structure, with repairs in kind as deemed necessary.	



**Office of the Assessor / Recorder - City and County of San Francisco
2017 Mills Act Valuation**



627 Waller Street

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

APN:	0864 022	Lien Date:	7/1/2017
Address:	627 Waller Street	Application Date:	5/1/2017
SF Landmark No.:	N/A	Valuation Date:	7/1/2017
Applicant's Name:	John Hjelmstad & Allison Bransfield	Valuation Term:	12 Months
Agt./Tax Rep./Atty:	None	Last Sale Date:	11/4/2013
Fee Appraisal Provided:	No	Last Sale Price:	\$3,500,000

FACTORED BASE YEAR (Roll) VALUE		INCOME CAPITALIZATION APPROACH		SALES COMPARISON APPROACH	
Land	\$2,587,801	Land	\$900,000	Land	\$ 2,220,000
Imps.	\$1,109,057	Imps.	\$600,000	Imps.	\$1,480,000
Personal Prop	\$0	Personal Prop	\$0	Personal Prop	\$0
Total	\$3,696,858	Total	\$1,500,000	Total	\$ 3,700,000

Property Description

Property Type:	SFR w/In-Law Unit	Year Built:	1900	Neighborhood:	Hayes Valley
Type of Use:	SFR	(Total) Rentable Area:	3333	Land Area:	2,160
Owner-Occupied:	Yes	Stories:	3	Zoning:	RH-3
Unit Type:	Residential	Parking Spaces:	1+ Car Garage		

Total No. of Units: 2

Special Conditions (Where Applicable)

Main house was reported as owner-occupied. The in-law unit was reported as tenant occupied. Building area measurements were based on calculated living areas from building plans for completed DBI Permit #201206061946

Conclusions and Recommendations

	Per Unit	Per SF	Total
Factored Base Year Roll Value	\$1,848,429	\$1,109	\$ 3,696,858
Income Approach - Direct Capitalization	\$750,000	\$450	\$ 1,500,000
Sales Comparison Approach	\$1,850,000	\$1,110	\$ 3,700,000
Recommended Value Estimate	\$ 750,000	\$ 450	\$ 1,500,000

Appraiser: Bryan Bibby

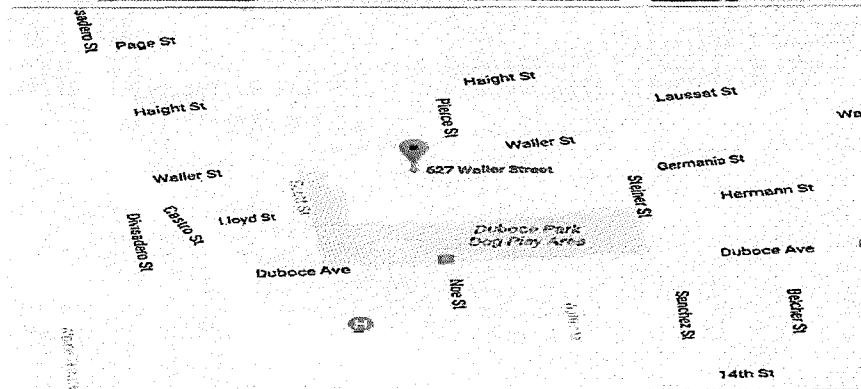
Principal Appraiser: Greg Wong

Date of Report: 7/27/2017

SUBJECT PHOTOGRAPHS AND LOCATOR MAP

Address: 627 Waller Street

APN: 0864 022



WALLER		APN 0864 022									
10	20	21	22	23	24	25	26	27	28	29	30
11	21	22	23	24	25	26	27	28	29	30	31
12	22	23	24	25	26	27	28	29	30	31	32
13	23	24	25	26	27	28	29	30	31	32	33
14	24	25	26	27	28	29	30	31	32	33	34
15	25	26	27	28	29	30	31	32	33	34	35
16	26	27	28	29	30	31	32	33	34	35	36
17	27	28	29	30	31	32	33	34	35	36	37
18	28	29	30	31	32	33	34	35	36	37	38
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23	33	34	35	36	37	38	39	40	41	42	43
24	34	35	36	37	38	39	40	41	42	43	44
25	35	36	37	38	39	40	41	42	43	44	45
26	36	37	38	39	40	41	42	43	44	45	46
27	37	38	39	40	41	42	43	44	45	46	47
28	38	39	40	41	42	43	44	45	46	47	48
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40	50	51	52	53	54	55	56	57	58	59	60
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45	55	56	57	58	59	60	61	62	63	64	65
46	56	57	58	59	60	61	62	63	64	65	66
47	57	58	59	60	61	62	63	64	65	66	67
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71	81	82	83	84	85	86	87	88	89	90	91
72	82	83	84	85	86	87	88	89	90	91	92
73	83	84	85	86	87	88	89	90	91	92	93
74	84	85	86	87	88	89	90	91	92	93	94
75	85	86	87	88	89	90	91	92	93	94	95
76	86	87	88	89	90	91	92	93	94	95	96
77	87	88	89	90	91	92	93	94	95	96	97
78	88	89	90	91	92	93	94	95	96	97	98
79	89	90	91	92	93	94	95	96	97	98	99
80	90	91	92	93	94	95	96	97	98	99	100

INCOME APPROACH

Address: 627 Waller Street

Lien Date: 7/1/2017

	<u>Monthly Rent</u>	x	<u>Annualized</u>	
Potential Gross Income	\$14,100		12	\$169,200
Less: Vacancy & Collection Loss			3%	(\$5,076)
Effective Gross Income				<u>\$164,124</u>
Less: Anticipated Operating Expenses (Pre-Property Tax)			15%	(\$24,619)
Net Operating Income (Pre-Property Tax)				<u>\$139,505</u>

Restricted Capitalization Rate

2017 interest rate per State Board of Equalization	3.7500%
Risk rate (4% owner occupied / 2% all other property types)	3.6976%
2016 property tax rate **	1.1792%
Amortization rate for improvements only	
Remaining economic life (Years) 60 0.0167	<u>0.6667%</u>
Improvements constitute % of total property value 40%	9.2934%

RESTRICTED VALUE ESTIMATE

\$1,501,117

Rounded Value

\$1,500,000

Rent Roll as of 7/1/2017

<u>Unit</u>	<u>Bdrm/Ba</u>	<u>SF</u>	<u>Move In Date</u>	<u>Monthly Contract Rent***</u>	<u>Annual Rent</u>	<u>Annual Rent / Foot</u>
In-Law Apartment	1/1	504	5/5/2017	\$2,600	\$31,200	\$61.90
Main House	3/2	<u>2,829</u>	Owner Occupied	<u>\$11,500</u>	<u>\$138,000</u>	<u>\$48.78</u>
Total:		3,333		\$14,100	\$169,200	\$50.77

Notes:

- * Annual operating expenses include water service, refuse collection, insurance,
- ** The 2017 property tax rate will be determined in September, 2017.

<u>Unit #</u>	<u>SF GLA</u>	<u>Occupancy</u>	<u>Weight</u>	<u>Risk Factor</u>		<u>Overall</u>
In-Law Apartment	504	Tenant	15.12%		2.00%	0.302%
Main House	<u>2,829</u>	Owner	<u>84.88%</u>		4.00%	<u>3.40%</u>
	3,333		100.00%			3.698%

***Mills Act valuation for the main dwelling was based on market rents & the projected rent was concluded to be \$11,500/month. All comps were considered in the market rent conclusion. The rental comps provided on the following page bracket the projected rent amount for the main house. Rent amount for the In-Law Unit was based on the contract rent of \$2,600/month. This amount was concluded to be within the range of apartment unit market rents as indicated on the following page. Of note, Comp #6 rent amount includes a SFR with in-law unit. Comp #6 supports the indicated rent amount total listed above. The contract rent amount and tenant occupancy as shown in the grid above was confirmed in a telephone conversation with the owner on July 24, 2017. Overall building features and GLA of the main house and in-law unit were based on building plans for completed DBI Permit #201206061946.

Rent Comparables

Address: 627 Waller Street
Lien Date: 7/1/2017

Main House Rent Comparables



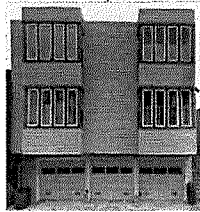
Rental Comp #1

Property Rental Type: Entire Building
Listing Agent: Azari Property Management
Address: 3969 23rd Street
Cross Streets: Noe Street
SF: 3,024
Layout: SFR: 3/4/3.5, 2 car parking
Monthly Rent: \$11,500
Rent/Foot/Mo: \$3.80
Annual Rent/Foot: \$45.83



Rental Comp #2

Property Rental Type: Entire Building
Listing Agent: Vanguard Properties
Address: 1709 Broderick Street
Cross Streets: Pine Street
SF: 2,484
Layout: SFR: 11/3/3.5, 1 car parking
Monthly Rent: \$13,950
Rent/Foot/Mo: \$5.62
Annual Rent/Foot: \$67.39



Rental Comp #3

Property Rental Type: Entire Building
Listing Agent: Zillow Rental Network
Address: 451 Roosevelt Way
Cross Streets: Clifford Terrace
SF: 4,029
Layout: SFR: 12/6/5, 3 car parking
Monthly Rent: \$12,000
Rent/Foot/Mo: \$2.98
Annual Rent/Foot: \$35.74



Rental Comp #4

Property Rental Type: Entire Building
Listing Agent: Sotheby's International Realty
Address: 1818 Divisadero Street
Cross Streets: California Street
SF: 3,460
Layout: SFR: 3/4/3.5, 2 car parking
Monthly Rent: \$13,750
Rent/Foot/Mo: \$3.97
Annual Rent/Foot: \$47.69



Rental Comp #5

Property Rental Type: Entire Building
Listing Agent: Jenies Wavro
Address: 144 Central Avenue
Cross Streets: Page Street
SF: 3,870
Layout: SFR: 11/5.5/5.5, 2 car parking
Monthly Rent: \$12,500
Rent/Foot/Mo: \$3.23
Annual Rent/Foot: \$38.76



Rental Comp #6

Property Rental Type: Entire Buildings 2 Units
Listing Agent: Azari Property Management
Address: 1824 Laguna Street
Cross Streets: Bush Street
SF: 2,690
Layout: SFR w/Lo-Law Unit: 13/4/3.5, 1 car parking
Monthly Rent: \$14,000
Rent/Foot/Mo: \$5.20
Annual Rent/Foot: \$62.45



Rental Comp #7

Property Rental Type: Individual Apartment Unit
Listing Agent: Cornale & Co.
Address: 1458 Waller Street, Apt #1
Cross Streets: Clayton Street
SF: 738
Layout: 3/0/1, no car parking
Monthly Rent: \$2,500



Rental Comp #8


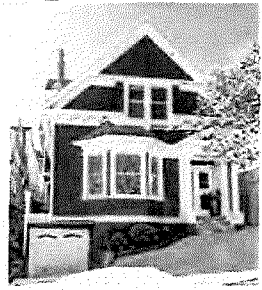

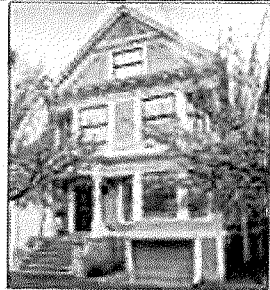
Property Rental Type: Individual Apartment Unit
Listing Agent: OnSite Property Systems
Address: 654 Clayton Street, Unit #8
Cross Streets: Waller Street
SF: 855
Layout: 2/1/1, no car parking
Monthly Rent: \$2,595



Rental Comp #9

Property Rental Type: Individual Apartment Unit
Listing Agent: Zillow Rental Network
Address: 42 Castro Street, Apt. 4
Cross Streets: Duboce Avenue
SF: 466
Layout: 3/0/1, no car parking
Monthly Rent: \$2,680

SINGLE FAMILY MARKET ANALYSIS

	Subject-A 0864 022	Sale 1-B 6543 010	Sale 2-C 2773 015C	Sale 3-D 1184 015			
APN	0864 022	6543 010	2773 015C	1184 015			
							
Address	627 Waller Street	4545 25th Street	689 Douglass Street	1558 Grove Street			
Sales Price	\$3,500,000	\$3,800,000	\$3,100,000	\$3,500,000			
Sale Price / Square Foot	\$1,050	\$994	\$1,813	\$1,620			
	Description	Description	Adjust.	Adjust.	Description	Adjust.	
Date of Valuation/Sale	07/01/17	05/12/17		6/16/2017		02/27/17	
Neighborhood	Hayes Valley	Noe Valley		Noe Valley		North Panhandle	
Proximity to Subject	-	Reasonable Proximity		Reasonable Proximity		Reasonable Proximity	
Land Area	2,160	3,746	(63,000)	1,999	6,000	3,436	(51,000)
View Type	City Lights	City Lights		City Lights/Hills	(\$62,000)	Extended Neighborhood	
Year Built	1900	1900		1914		1900	
Condition Type	Good/Updates	Good/Updates		Good/Updates		Good/Updates	
Traffic	Typical	Typical		Typical		Typical	
Building Area	3,333	3,824	(196,000)	1,710	649,000	2,160	469,000
Total Number of Rooms	12	10		14		8	
Bedroom Count	4	4		5		3	
Bath Count	4.0	4.5	(\$20,000)	4		3	\$40,000
Number of Stores	3	2		3		3	
Parking Type/Count	1+ Car Garage	Similar to Subject		Similar To Subject		3 Car Garage	(\$100,000)
Bonus Living Area	Incl. In GLA Above/In-Law Unit	Incl. In GLA Above	\$100,000	Attic Conversion	Offset	Unfin. Attic & Fin. Basement Areas	Offset
Other Amenities	Roof Deck	Decks		Decks		Decks	
Net Adjustments			(\$179,000)		\$593,000		\$358,000
Indicated Value	\$3,700,000		\$3,621,000		\$3,693,000		\$3,858,000
Adjust. \$ Per Sq. Ft.	\$1,110		\$1,086		\$1,108		\$1,158

Value Range:	Low \$3,621,000	High \$3,858,000	VALUE CONCLUSION:	\$3,700,000	\$1,110
Adjust. \$ Per Sq. Ft.	\$1,086	\$1,158			

REMARKS: The subject's property features were based on listing data & recent building plans/permits from DBI. Permit history shows the subject property as a two unit building comprising of one main multi-floor dwelling with one small one floor three room in-law unit on the garage level. Most recent listing marketed property as a single family home with an in-law unit. Living (building) area size was derived from measurements calculated from building plans for DBI Permit #201206061946.

Adjustments are made to the comparables. (Rounded to the nearest \$1,000.)
 *Lot Area adj. based on per square foot of \$ 40
 *GLA adjustment based on per square foot of \$ 400
 *Bathroom variance adjustment based on \$ 40,000 per bath variance. Half bath variance adj. based on 1/2 of the full bath adj. amount.
 *Parking space adjustment based on \$ 50,000 per space variance.
 Other types of adjustments as noted below:
 View adj. for Comp #2's City Lights/Hills view. Adj. at 2% of the sales price.
 Bonus living area adj. warranted for Comp #1 due to lack of flex space amenity of the in-law unit for the subject. Adj. at \$100,000.

All comps were given equal consideration in the final value conclusion. Comps #1 and 2 were recent sales to the subject's event date. Comp #3 was located in a competing neighborhood of the subject's neighborhood within SFAR MLS District #6.

MARKET VALUE		ASSESSED VALUE	
LAND	\$2,220,000	LAND	\$2,687,801
IMPROVEMENTS	\$1,480,000	IMPROVEMENTS	\$1,109,057
TOTAL	\$3,700,000	TOTAL	\$3,696,858
Market Value / Foot	\$1,110	Assessed Value / Foot	\$1,109



SAN FRANCISCO PLANNING DEPARTMENT

PRE-APPROVAL INSPECTION REPORT

Report Date: May 31, 2017
Inspection Date: May 31, 2017; 8:30am
Case No.: 2017-005880MLS
Project Address: 627 Waller Street
Zoning: RTO (Residential Transit Oriented District)
Height & Bulk: 40-X
Block/Lot: 0864/012
Eligibility: Duboce Park Historic District Contributor
Property Owner: John Hjelmstad & Allison Bransfield
Address: 627 Waller
San Francisco, CA 94117
johnfargo@gmail.com
Staff Contact: Shannon Ferguson – (415) 575-9074
shannon.ferguson@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

5/18/17: email property owner to schedule site inspection

5/23/17: follow up email to property owner to schedule site inspection; respond to email from property owner and historic preservation consultant regarding site visit; provide comments on rehabilitation and maintenance plan.

5/25/17: follow up email with property owner and historic preservation consultant regarding site visit scheduling.

5/25/17: phone call with historic preservation consultant regarding site visit and rehab and maintenance plans.

5/30/17: email to property owner and historic preservation consultant to confirm site visit and receipt of revised rehab and maintenance plan.

INSPECTION OVERVIEW

Date and time of inspection: May 31, 2017; 8:30am

Parties Present: Erin Ouborg (Page & Turnbull), Shannon Ferguson (SF Planning)

- 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:
- Yes No Conditions for approval? If yes, see below.

NOTES AND RECOMMENDATIONS

- Please number all scopes of work.
- For "Contract year for work completion", please use a date, such as 2020.
- Please list Rehabilitation scopes of work first, followed by Maintenance scopes of work. See attached pdf clarifying which scopes of work are considered rehabilitation or maintenance. I'm happy to help or answer any questions. It can be confusing.
- Please list scopes of work in order of completion date. Start with recently completed work, followed by scopes of work that you plan to complete in 2018, 2019, etc.
- Unfortunately, landscaping, retaining wall, lighting and reconfiguring the rear stairs are not qualifying scopes of work.
- Adding ogee lugs to the existing windows is not a qualifying scope of work. Replacing existing windows with windows more in character with the house would be a qualifying scope of work.
- It is unlikely that 627 Waller had ornamentation at second and third levels. 611-617 Waller appears to be 627 Waller's almost identical twin. This building does not have ornamentation at second and third levels. Please remove ornamentation restoration scope of work, unless historic photos can be located and show ornamentation existed.
- Please be aware that only exterior scopes of work can be included in the rehabilitation and maintenance plans. Repairing water damage at the rear of the house would be limited to just the exterior. Even though there is warped flooring inside as a result of the water damage, only exterior repairs would be qualifying scopes of work.
- suggest replacing the concrete in front of the garage with permeable paving and landscaping

CONDITIONS FOR APPROVAL

None

PHOTOGRAPHS



Mills Act Pre-Approval Inspection Report
May 31, 2017

Case Number 2017-005880MLS
627 Waller Street



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: JOHN HELMSTAD	TELEPHONE: (650) 933-3456
PROPERTY OWNER 1 ADDRESS: 627 WALLER ST, SF, CA 94117	EMAIL: JOHN.FARLO@GMAIL.COM
PROPERTY OWNER 2 NAME: ALLISON BRANSFIELD	TELEPHONE: (650) 861-1150
PROPERTY OWNER 2 ADDRESS: 627 WALLER ST, SF, CA 94117	EMAIL: ALLISON.BRANSFIELD@GMAIL.COM
PROPERTY OWNER 3 NAME:	TELEPHONE: ()
PROPERTY OWNER 3 ADDRESS:	EMAIL:

2. Subject Property Information

PROPERTY ADDRESS: 627 WALLER ST, SAN FRANCISCO, CALIF	ZIP CODE: 94117
PROPERTY PURCHASE DATE: 10-28-2013	ASSESSOR BLOCK/LOT(S): 0864/022
MOST RECENT ASSESSED VALUE: \$ 3,624,371	ZONING DISTRICT: RTD


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:  Date: **5-1-2017**

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:

JOHN HJELMSTAD & ALLISON BRANSFIELD

MOST RECENT ASSESSED PROPERTY VALUE:

\$3,624,371

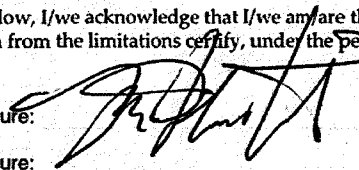
PROPERTY ADDRESS:

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:



Date:

5-1-2017

Owner Signature:

Date:

Owner Signature:

Date:

Draft Rehabilitation/Restoration/Maintenance Plan (Continued)

# ____ (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 WORK COMPLETION:			
TOTAL COST (rounded to nearest dollar):			
DESCRIPTION OF WORK:			

# ____ (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 WORK COMPLETION:			
TOTAL COST (rounded to nearest dollar):			
DESCRIPTION OF WORK:			

# ____ (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 WORK COMPLETION:			
TOTAL COST (rounded to nearest dollar):			
DESCRIPTION OF WORK:			

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)

627 WALLER ST, SF, CA 94117

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 John HELMSTAD + ALLISON BRANSTAD Owner/s).

RECITALS

Owners are the owners of the property located at 627 WALLER ST, in San Francisco, California
0864 / 022

The building located at BLOCK NUMBER LOT NUMBER is designated as CONTRIBUTING CLASS A HISTORIC RESOURCE TO THE DUBOCE PARK HISTORIC DISTRICT (e.g. "a City Landmark pursuant to Article 10 of the Planning Code") and is also known as the

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 (\$) See Rehabilitation Plan, Exhibit A.

Owners' application calls for the maintenance of the Historic Property according to established preservation standards, which is estimated will cost approximately (\$) 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 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

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.

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.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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 Francisco)

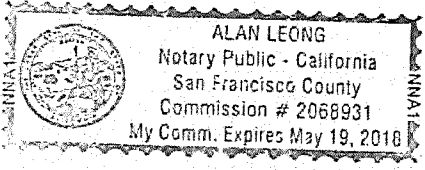
On 5-1-17 before me, Alan Leong (Notary Public)
Date Here Insert Name and Title of the Officer

personally appeared John Alan Hjelmstad
Name(s) of Signer(s)

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 [Handwritten Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

MOST RECENT TAX BILL

5/11/2017

Previous Year's Property Tax Information



City & County of San Francisco
Treasurer & Tax Collector

Office of the Treasurer & Tax Collector

Previous Year's Property Tax Information

Payment History

Block / Lot: 0864/022
Tax Bill #: 035297
Property Address: 627 WALLER ST

The information on this screen represents only regular taxes for the 2015-2016 fiscal year. Please note that the accuracy of the information may be affected by pending payments and corrections. The information does not reflect any taxes for prior fiscal years, nor unsecured taxes, supplemental taxes, or escape taxes that may also have been paid or that may be outstanding.

Payment for prior tax year: 2015-2016

Installment	Taxes	Late Cost	Late Fee	Installment Total	Date Paid
Installment 1	\$21,327.48			\$21,327.48	10/18/15
Installment 2	\$21,327.48	\$45.00	\$2,132.74	\$23,505.22	06/27/16

If you have questions about the information listed above, please [contact the Treasurer & Tax Collector](#)

Online Payment Support

For support on making payments via the web please e-mail support@link2gov.com

Office of the Treasurer & Tax Collector City Hall, Room 140, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 [Contact Us](#)
[Visit San Francisco's 311 online](#)

Photos: 627 Waller Street

Scope 1: Rear of house

Photo A: Prior condition. Deteriorated sealing.



Photo B: New tar paper



Photos: 627 Waller Street

Photo C: Replaced siding, prior to painting



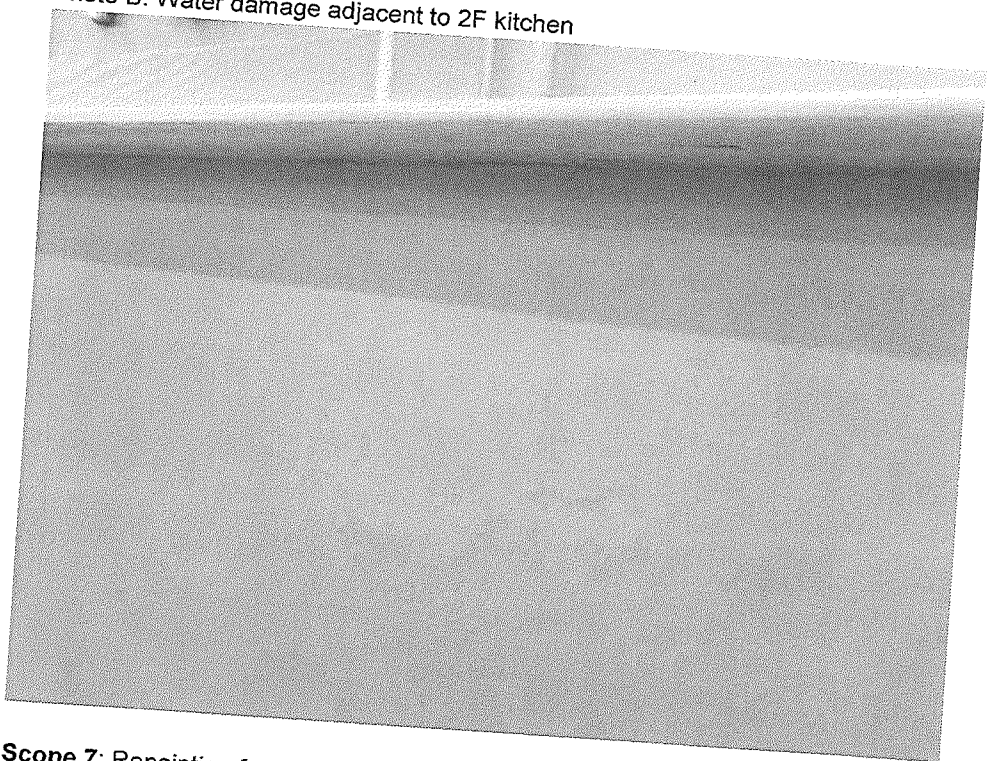
Scope 2: Rear of House

Photo A: Bedroom floor warping (sealed with wax)

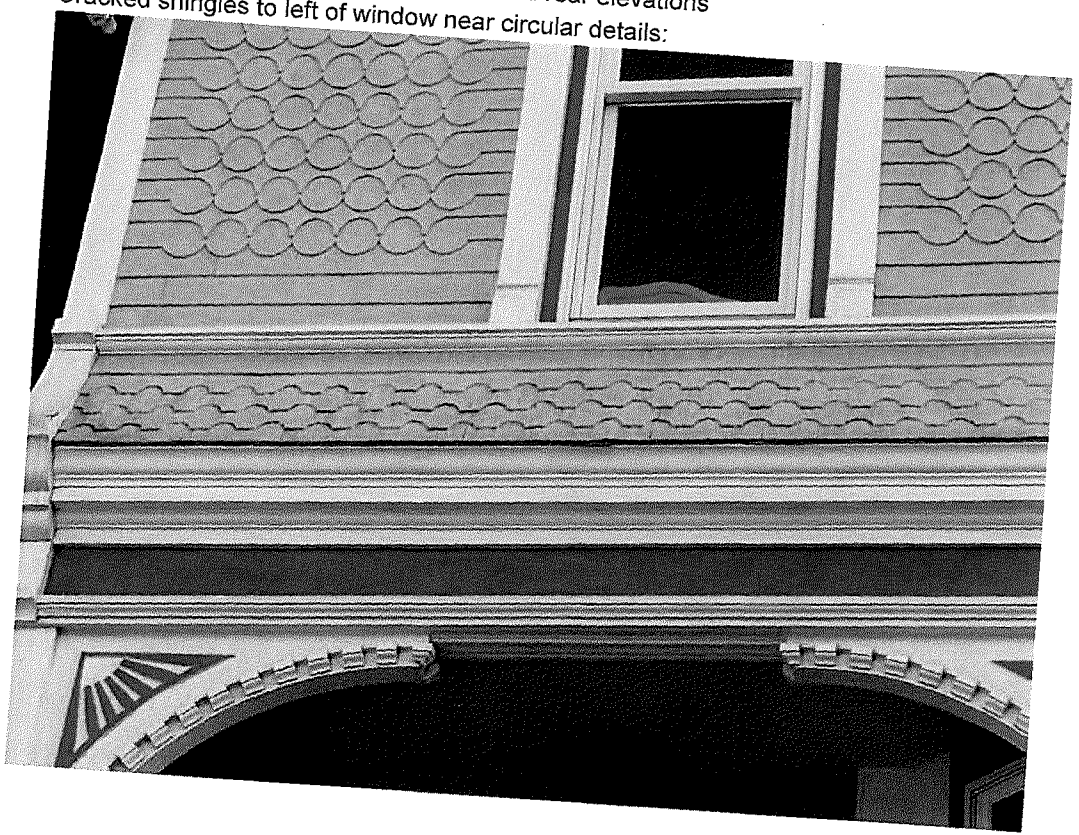


Photos: 627 Waller Street

Photo B: Water damage adjacent to 2F kitchen



Scope 7: Repainting front façade, side and rear elevations
Cracked shingles to left of window near circular details:



Photos: 627 Waller Street

Scope 4: Replace skylight



All cost estimates provided by general contractor Matt Figlietti. If desired, a formal set of bids will be provided. All photos by owner, available digitally via johnfargo@gmail.com

**Mills Act Application for Exemption from Property Tax Valuation
627 Waller Street**

We believe that our home, 627 Waller, is an exceptional example of Queen Anne Victorian architecture, with notable, well maintained, and numerous original features including ornate wood work, shingles, gables, pediments, and other ornamentation typical of the style. Further details are contained in the attached Historic Structure Report.

Carefully restored and renovated in 2013, it remains in excellent condition anchoring a row of 6 Queen Annes of similar style lightly evocative of Alamo Square's famous Painted Ladies. The home is listed as a Contributing (Class A Historic) Resource to the Duboce Park Historic District.

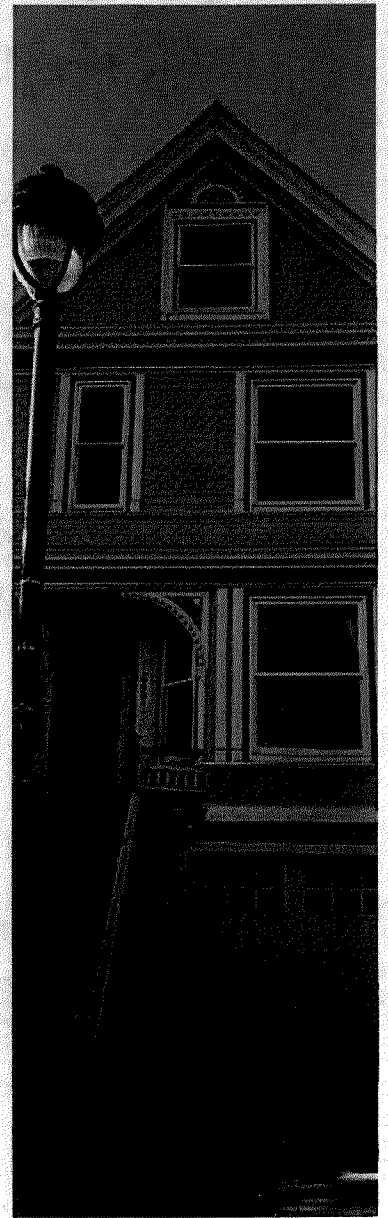
The building was constructed in 1898 by Master Builder Fernando Nelson, who is so noted in the Duboce Park Historic District Designation Report establishing the district. As one of the first structures built on the block, and in one of Mr. Nelson's first developments, it is a representative of one of his earliest works altogether. 627 Waller exhibits numerous characteristics which the district was designated, such as "asymmetrical and articulated façades, steep roof pitches, the use of multiple textures and wood cladding, and front yard setbacks".

We feel fortunate to be able to live in and maintain beautiful piece of San Francisco history. However, with a tax burden nearly twice that of the next-highest assessed Queen Anne in our row (our neighbors at 621 Waller, who are under Mills Act contract as of 2013), as well as a daughter on the way, we do not have the ability to fully restore and maintain the home to the ideal level we would like. Recently discovered leaks at the rear of the home and deterioration of the skylight roof element provide two such examples.

A Mills Act contract based on a generous assessment of Income Capitalization would allow us to make not only needed repairs, but also beneficial upgrades to restore historic character, and to implement an aggressive maintenance plan. Together, these can ensure that 627 Waller remains an exceptional example of San Francisco architecture, and of why the Duboce Park Historic District was formed.

**627 WALLER STREET
FOCUSED HSR FOR MILLS ACT APPLICATION**

SAN FRANCISCO, CALIFORNIA
[17124] Prepared for
JOHN HJELMSTAD



PAGE & TURNBULL

imagining change in historic environments through design, research, and technology

APRIL 28, 2017

INTRODUCTION

This Focused Historic Structure Report has been prepared at the request of John Hjelmstad to accompany a Mills Act Historical Property Contract for the building at 627 Waller Street (APN 0684/022) in San Francisco's Duboce Park Landmark District. The building was constructed ca. 1899.

627 Waller Street has been included in several architectural surveys. In 1976, 627 Waller Street was included in the Department of City Planning Architectural Quality Survey, and received a rating of a "Y" out of a range from "-2" to "5." A rating of "Y" was assigned to the subject building, meaning although it was not rated, it was surveyed. In 2010, 627 Waller Street was found to be a contributor to the Duboce Park Historic District as a result of the San Francisco Planning Department's Market and Octavia Area Plan Survey (Market Octavia Survey) and received a California Historical Resource Status Code of 3D. Because the property is listed in the National Register and the City of San Francisco considers the property to be a contributor to a local Landmark District as of July 2013, 627 Waller Street is a historic resource for the purposes of review under the California Environmental Quality Act (CEQA).



Figure 1: Aerial imagery of 627 Waller Street. Google Maps, 2017. Edited by Page & Turnbull.

PROPERTY DESCRIPTION

627 Waller Street is located on a 24-foot x 90-foot lot on the south side of Waller Street, between Pierce and Carmelita Streets in the Duboce Park Landmark District. Built in 1899, 627 Waller St. is a two-story-over-basement, wood-frame, single-family residential building designed in the Queen Anne style. The rectangular-plan building, clad primarily in decorative wood shingles, sits on a reinforced concrete, slab foundation and is capped by a gable roof.

QUEEN ANNE STYLE

The Queen Anne Style was a popular architectural style among the elite during the Victorian era of the late nineteenth century and was introduced to the United States at the Centennial Exhibition held in Philadelphia in 1876. First used in England, this style referred back to the reign of Queen Anne (1702 – 1714) when craftsmanship and simplicity of construction were emphasized in the architectural vernacular.¹ One of the main innovators and architects of this style was Richard Norman Shaw, who popularized the Queen Anne Style in England with his half-timber designs and proliferation of built work. American architects introduced this style into the mainstream during the late 1870s. By the 1880s, the Queen Anne style had become the leading architectural style for the Victorian elite and upper-to-middle classes. The Queen Anne Style represents the merger of many Victorian influences, with elements of Early Gothic Revival and Carpenter Gothic styles while also incorporating elements of Moorish and Turkish design in some cases.² In general, the style is characterized by its variety of features and combination of ornamentation. Typical features of the Queen Anne Style include steeply pitched roofs, irregular rooflines, gable projections, cutaway bay windows, asymmetrical compositions, and swag and garland appliques.³ The result of this fusion of ornamentation and composition was a highly textured and varied residence, which achieved the elegance and grace desired by the people of this era. Commonly, other architectural styles, such as Eastlake and Stick, were combined with the Queen Anne Style to produce asymmetrical and varied compositions.

PRIMARY FAÇADE

The primary façade faces north and is two bays wide (Figure 2). The basement level is clad with wood channel siding and includes a garage bay with paneled wood garage door featuring twelve equally-sized upper-lites. Directly west of the garage door is a basement entry containing a paneled wood door in the westernmost portion of the façade. The east bay of the basement level contains a straight flight of wood steps leading to a recessed entry porch at the first story. A small opening with scrolled iron gate, located at ground level, provides access to storage beneath the staircase. The entry porch has a single turned post support, picket balustrade railing, arched corner brackets with dentils and sunburst motifs, and interior wood paneling. Within the porch, a wood-paneled door with a single diamond-shaped lite and transom is centered within the bay. To the east of the door is a diamond-shaped window with wood

¹ Lester Walker, *American Shelter* (New York: The Overlook Press, Inc., 1997), 152.

² Lester Walker, *American Homes: The Landmark Illustrated Encyclopedia of Domestic Architecture*, (New York: Black Dog & Levanthal Publishers, 1996), 150-152.

³ Virginia & Lee McAlester, *A Field Guide to American Houses* (New York: Alfred A. Knopf, 2002), 263.

surround set into a paneled wall. The west bay contains a semi-hexagonal bay window with similar one-over-one windows and molded stop surrounds. The west facet of this window is achieved by the chamfering of the northwest corner of the building at the first and second stories, resulting in the creation of a bay window with a central window that is coplanar with the primary façade. These windows are not original to the building, but replaced previously existing steel-sash windows.⁴ The first story ends in an intermediary, molded entablature and pent roof capped with painted wood shingles.

The second story features a narrow, one-over-one, wood-frame window centered in the east bay. Curvilinear, painted wood shingles clad the façade to the east and west of the window in the east bay. The west bay contains cutaway bay window with wood surrounds and ornate, bracketed spindle work at the chamfered northwest corner of the second story where the third story overhangs the second. The second floor is capped by an entablature with denticulated cornice with corbelled (molded) corner boards at each end.

The third story is characterized by a pedimented gable end with a central one-over-one wood-framed window with sunburst molded ornament above. The primary facade terminates in a raking cornice.⁵ The tympanum of the pedimented gable is faced with imbricated wood shingles.

EAST AND WEST FAÇADES

Most portions of the east and west façades are not visible from Waller Street or from perspectives at the rear of the property as the subject building abuts neighboring dwellings along the south side of Waller Street. As such, visible portions will be described in relation to features of the rear (south) façade.

REAR (SOUTH) FAÇADE AND EXPOSED PORTIONS OF EAST AND WEST FAÇADES

The rear façade faces south and is comprised of a two-story rear projecting volume with roof deck (non-historic), and the south gable end of the building above the second story. The façade is clad with wood channel siding and features several tripartite windows and glazed replacement doors that provide access to a rear staircase and associated landings.

At basement level, the rear façade features a sliding, glass double-door (Figure 3). The basement level is separated from the rear yard of the property by a dugout patio with board-formed concrete retaining wall and concrete paved floor (Figure 4). A wood stair case with landings at the first and second story provides access to the building and extends to the rear façade from the rear yard (Figure 5). The staircase continues around the west façade of the building to provide roof deck access. The first story of the rear façade features a plate glazed wood frame door with a single pane of tempered glass. To the west of the door is a tripartite window composed of a wide central one-over-one window separated from flanking one-over-one windows by wood mullions (Figure 6 and Figure 7).

⁴ See, State of California, Department of Parks and Recreation, Primary Record-DPR 523A Form: 627 Waller St., San Francisco, CA 94117.

⁵ State of California, Department of Parks and Recreation, Primary Record-DPR 523A Form: 627 Waller St., San Francisco, CA 94117.

At the second story, a similar fenestration of single door and tripartite window is featured, however, the orientation is reversed with door to the west side and window to east side. This is emphasized by the rear staircase's diagonal direction from first story landing to second story landing. The second story terminates with a balustrade that surrounds the roof level deck that is accessed through a door at the south facing gable end of gable roof above the building (Figure 8). The roof deck features wood decking cut to a basketweave pattern (Figure 9).

The exposed portion of the east façade is separated from the east property line by a small quarter-turn cement stair case that leads to the dugout patio adjacent to the rear façade, and by a small patch of ground with small plantings. The east façade is clad with wood channel siding from basement level through its termination at the top of the second story. The basement level contains two paired one-over-one windows; the first story two one-over-one windows a window's width apart; and the second story features two slightly larger one-over-one windows approximately two window's width apart (Figure 10 and Figure 11). A small portion of the rear façade is visible directly adjacent to the property line and features a single one-over-one window at each level (Figure 11).

Along the exposed portion of the west façade, a basement level passageway is located between the west property line and the west façade of the property at the westernmost portion of the building (Figure 3). The passageway provides access to the front of the property through a paneled door. A one-over-one window is located directly east of the passageway along the west façade. At the first story, a standard one-over-one window is located above the passageway. A smaller one-over-one window and a second similar window are located along the west façade. At the second story, two additional one-over-one windows are located along the west façade, one of which is located behind the staircase extending from the second story landing to the roof deck above (Figure 4).

SIGNIFICANCE EVALUATION

DUBOCE PARK LANDMARK DISTRICT

627 Waller St. is located within the Duboce Park Landmark District (Historic District) (Figure 5). The Historic District was initially determined eligible for designation to the National Register under Criterion C (Architecture) as result of the San Francisco Planning Department's Market and Octavia Area Plan Survey (Market Octavia Survey). As of July 12, 2013, the Duboce Park Landmark District was designated by the City and County of San Francisco.⁶ The Market Octavia Survey found the district contained a "group of properties that embody the distinctive characteristics of a type, period or method of construction, and that possess high artistic values," with a Period of Significance spanning 1896-1913, and an identified Theme of Neighborhood Development.⁷ 627 Waller is one of 80 contributing properties located within the Historic District. Contributing properties are considered representative of "a noteworthy grouping of turn-of-the-century buildings exhibiting late-Victorian and Edwardian era styles characteristic of San Francisco. Common [architectural] traits found throughout the district include: bay windows, decorative cornices, ornamental shingles, and spindle work, as well as more Classically-influenced detailing such as dentils, pediments, columns, and applied plaster ornament.

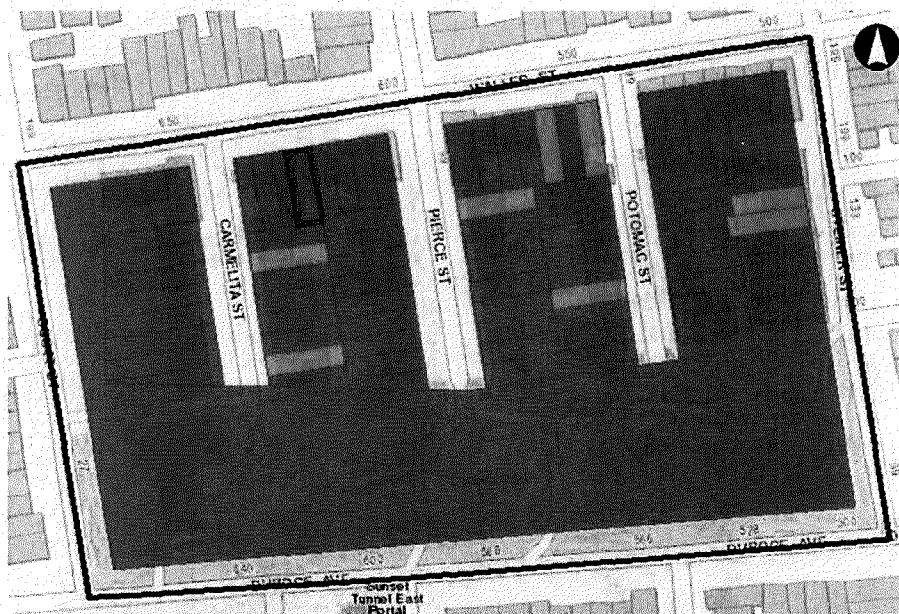


Figure 5: Duboce Park Landmark District. Subject property indicated with orange rectangle. Properties shaded darker blue are contributors, cyan shaded parcels are non-contributors
Source: San Francisco Planning Department. Edited by Page & Turnbull.

⁶ City and County of San Francisco, Planning Department, "Duboce Park Landmark District," <http://sf-planning.org/duboce-park-landmark-district#overview>. Accessed 4/18/2017.

⁷ State of California, Department of Parks and Recreation, District Record-DPR 523D: Duboce Park Historic District. January 2010.

BRIEF HISTORY OF 627 WALLER STREET

627 Waller Street first appears on a Sanborn fire insurance survey map published in 1899 (Figure 6). Ca. 1899, the subject building was one of two, two-story-over-basement frame dwellings with apparently identical plans located along its block face on the south side of 600 block of Waller Street; the other property present at the time was 623 Waller Street to the subject building's east. In particular, 627 Waller Street was depicted as a two-story-over-basement dwelling with a main rectangular volume, and a rear, one-story-over-basement volume that extended off the building's south façade and appeared to have contained a one-story porch extending off the south façade. By 1905, an updated Sanborn survey depicted the 627 Waller in similar form among as one of eight, abutting, frame residences constructed along the block face (Figure 7). The subject building and those within its immediate vicinity near Duboce Park survived the 1906 Earthquake in most if not all cases. Additionally, the recently built-out subject block was comprised entirely of frame dwellings by 1905, and offered a balance of single-family and flat-apartment residences.

Sanborn's 1913 Map shows that within the decade following the Earthquake, 627 Waller was renovated into a two-and-a-half-story frame dwelling with an augmented two-story rear addition; the porch indicated on 1899 and 1905 Sanborn maps was not present (Figure 8). This change indicates that the building's attic space was likely converted to additional living space between 1905 and 1913 and was noted by surveyors. By the time further updated Sanborn maps were published in 1950, 627 Waller retained its ca. 1913 footprint (Figure 9). Aerial photography of San Francisco published in 1938 shows 627 Waller Street between 1913 and 1950 Sanborn surveys as having retained consistent massing and overall plan (Figure 10).

Historic photographs of 627 Waller Street would potentially provide for analysis of the building's original appearance were not able to be recovered by Page & Turnbull. Review of available photographs of the proximal area shows that Waller Street between Pierce and Carmelita Streets (600 block of Waller Street) was comprised of residential buildings in the mid-1920s and remained so at least through 1950 (Figure 11). The most recent available Sanborn map of the subject property and its surroundings was published in 1995 and indicates the subject building retained a similar footprint to its form in 1950 (Figure 12).

CONSTRUCTION CHRONOLOGY

The following building permit applications are on file at the San Francisco Department of Building Inspection (DBI) and are noted on 3-R Report 201309184790 for 627 Waller Street issued on 26 September 2013 (See attached). Page & Turnbull conducted additional research at DBI on 19 April 2017 and confirmed that no additional building permits to those referenced on the above noted 3-R Report are on file for the subject property. Additionally Page & Turnbull has determined through additional research of Sanborn Fire Insurance Maps, United States Census records from 1900, and San Francisco city directories published between 1897 and 1900, that 627 Waller Street was constructed in 1899.⁸

Application #	Permit #	Issue Date	Type of Work Done
360849	337875	8/23/1968	Legalize 2-Family Dwelling
379812	340990	2/4/1970	Repair Stairs, Legalize building for 2 Units (CFC 2FD)
9416687	756384	10/12/1994	Repair front entrance stair
200511097733	1071912	11/9/2005	Exploratory demo on ground floor
200511158179	1072432	11/15/2005	Remove wood post wood beam, new stud wall to replace beam
200604058360	1083311	4/25/2006	Remodel kitchen and bath on ground floor units 1 and 2
200609283626	1099972	8/28/2006	Replace rear stairs
200609111968	1110457	1/31/2007	Convert storage to new garage area
2010003319329	1208260	3/31/2010	To obtain final inspection for application # 200609111968 (CFC 2FD)
2010003319332	1208262	3/31/2010	To obtain final inspection for application #200511158179
2010003319333	1208258	3/31/2010	To obtain final inspection for application #200609283626
2010003319334	1208259	3/31/2010	To obtain final inspection for application #200511097733
201206061946	1266450	6/7/2012	Interior Remodel-adding master bathroom suite with ½ bathroom, small wet bar, remodel existing hall bathroom and relocate washer/dryer from existing location to kitchen bathroom. Update electrical throughout and redo surfaces throughout.
201304094103	1301543	8/13/2013	Project consists of new roof deck wood tiles over new sleeper on the existing roof. Project consists of 42 inches (46V Deck) above deck guardrail around roof deck. Guardrail to have railing picket and post spaced not more than 4 inches on center.

⁸ Original owner, Charles H. Brink appears in the 1900 U.S. Census at 627 Waller Street. Crocker-Langley's *San Francisco City Directory* for the year 1899 is the earliest occurrence of Brink's listing at residence at 627 Waller Street. In 1898, Brink listed his residence at 3452 18th Street, San Francisco, indicating that he moved to 627 Waller in 1899, corresponding with the first year in which Sanborn fire insurance surveys depicted the subject building at its present location.

ARCHITECTURAL EVALUATION

EXISTING CONDITIONS

Roof

Description: The roof is comprised of one (1) layer of asphalt shingle roofing over an asphalt impregnated glass fiber reinforced base sheet. Roof sheathing was not visible and construction details are unknown. There is no overhang at the north and south gable ends. Gable ends are flashed with continuous metal flashing. Gutters are present at the east and west edges of the roof. Gutters are surfaced with an asphalt sheet, lapped under the asphalt shingles. Gutters slope in the south direction to an open metal leader head and downspout. One (1) skylight per roof face for a total of two (2) skylights are present. Skylights are comprised of an acrylic bubble lite in an aluminum frame. Wood trim covers the curb. The roof is approximately 15 years old.

Condition:

Roof Condition: Good. Some rippling of the surface; appears to be related to the sheathing. Owner reports no active leaks.

Flashing Condition: Good

Gutter Condition: Good. Some minor ponding of water due to lack of slope is present at the west gutter (Figure 13). The east gutter profile is undersized, likely resulting in water overflowing the gutter edge during a heavy rain storm. Water that overflows will spill onto the adjacent property roof where the gutter and downspout may not be capable of handling the increased runoff (Figure 14). Leader heads at both east and west downspouts are missing a debris strainer.

Skylight Condition: Fair/Poor. The east acrylic lite is cracked. The wood trim at the curb is weathered, checked with raised grain. Mastic waterproofing is applied at the curb to roof interface.



Figure 13: West roof gutter. Note water ponding locations



Figure 14: East roof gutter.

Siding

Description: There are two types of siding use on the exterior of 627 Waller. The primary siding is wood channel siding approximately 9-inches in height. Imbricated wood shingle siding is located at the front façade. The owner observed building paper in poor condition beneath the channel wood siding during a recent repair at the rear south façade. Underlayment and sheathing at other locations is unknown.

Condition:

Wood Channel Siding Condition: Good

Wood Shingle Siding Condition: Good, a few split shingles are present

Windows

Description: Most the windows have wooden trim, metal frames, 1 over 1 double hung windows, and copper flashing. The wood sills of the windows on the west façades are in-plane with the trim (except for 1), while the windows on the south and east facades have a protruding sill. The treatment of flashing differs between window systems. The majority of the windows have a surface applied flashing, however, a tucked flashing technique is used on the tripartite window systems, second and third story doors on the south facade, and the second story windows of the west facing façade. All the windows on the west façade have a window film applied to the window panes, with the exception of the southernmost window on the ground floor.

Window Systems

Single Window System: A single system of wooden trim, metal frames, 1 over 1 double hung windows, and copper flashing.

Paired Window System: A window with two sashes set within one trabeated trim system.

Tripartite Window System: Windows are divided into three bays: a central wide sash, and two flanking narrower sashes. Sashes are separated by vertical wooden trim elements.

Condition: Windows are generally in very good condition.

Sash Condition: Good

Wood Trim and Sill Condition: Good to Fair. Some raised grain and paint failure is present (Figure 19). Organic growth was observed at one rear west façade window (Figure 20).

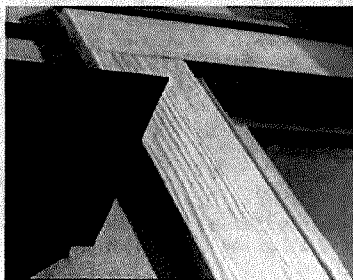


Figure 19: Raised grain at trim



Figure 20: Fungi growing at sill

Doors

Description: There are 2 door openings on the primary north façade and 4 door openings on the south façade (one for each level). The primary façade main entry door is a wood-paneled door with a single diamond-shaped lite and transom above. To the west of the garage door there is a paneled door that leads to the access corridor to the rear yard. Doors at the rear façade are fully glazed single doors, with the exception of the third-floor double doors. Doors have white painted surrounds and frames. Similar to the windows the doors also have a surface applied flashing or tucked flashing that is over the trim at the opening head. Doors were not opened for observation of weather-stripping and proper sealing.

Condition:

Door Leaf Condition: Good. The rear second floor door shows some raised grain and worn paint at the bottom rail.

Door Trim and Threshold Condition: Good. Some minor paint failure at south façade doors. Some cracking of paint at flashing above head trim.

Porch, Stairs, and Landings

Description: The entry porch on the primary north facade has a single turned post support, picket balustrade railing, arched corner brackets with dentils and sunburst motifs, and interior wood paneling. The front porch appears to be original to the date of construction. The front porch is accessed by a straight run of wood stairs with a modern steel railing in a square profile (Figure 21). The railing is 38-inches high from the stair tread. Clear width of the stair (from side wall to side wall) is 4-feet 10 ½-inches. The stairs have a rise of 8 ¼-inches and a run of 10 ¼-inches. The stair is enclosed at the east and west side by the side walls, sheathed in wood channel siding. The framing for the stair treads can be observed from the storage area under the stairs. The framing appears to be modern, likely dating to the 1994 permitted repair.

The rear stairs start at the basement patio with a set of cast-in-place concrete stairs that make a ninety degree turn up to the brick patio. The first level is accessed by a straight run of wood constructed stairs starting from the brick patio and ending at a landing located at the first-floor entry door. From this landing the stair continues up in the west direction to a landing located at the second-floor entry door (Figure 22). From this landing the stair continues in a straight run up the west façade of the house in the north direction to the third-floor roof deck (Figure 23). The stairs are supported by 4x4 treated wood posts from grade up to each landing. Landings and the third-floor stair run are also supported by a direct connection to the façade. Posts are braced with horizontal 4x4 treated wood beams. Stairs are constructed of 2x6 wood stringers with 2x wood treads and open risers. Stairs have a 7 ¼-inch rise and a 10-inch run. The rear stairs were replaced in 2006.

Condition:

Front Entry Porch Condition: Good

Front Entry Stair Condition: Good

Rear Stair Condition: Good, some splitting/checking of wood framing members. Flashing at a ledger board has back slope to the façade wall (Figure 24).

Foundation

Description: The foundation is a modern continuous concrete strip footing.

Condition: Good

PROPOSED WORK

The following items may be considered for future projects to improve the homes function and aesthetics.

Roof Replacement: Replace the existing roof within 5 to 7 years. Asphalt shingle roofing that simulates a wood shake roof would be an appropriate replacement material.

Primary Façade Entry Stair: Consider replacing the modern stair railing with a railing more in character with the period of construction.

Primary Façade Ornamentation: Consider replacing the missing bands of ornamentation at the second and third floor levels of the primary façade. Missing ornamentation should use adjacent properties as a guide for design and detailing.

Windows: When existing window conditions warrant replacement, consider replacing with windows more in character with the period of construction. Consider profiles that provide more detail and depth and include ogee lugs at the upper sash. Adding these details to the existing windows may be considered.

Rear Stairs and Landings: The existing stairs at the rear obstruct much of the façade. Consider redesigning the path of travel and pulling the stair off the rear façade. Use of a spiral stair may be considered.

Exterior Lighting: Improve/replace exterior lighting with period type fixtures

MAINT. EXPENSES: MONTHLY CLEANING



MAID NO.1
601 VAN NESS AVE. SUITE E #872
SAN FRANCISCO, CA 94102
(415)385-6776
maid.no1@hotmail.com
WWW.MAIDNOONE.COM

INVOICE

BILL TO
JOHN HJELMSTAD
627 Waller St.
SAN FRANCISCO, CA 94117

INVOICE # 7467
DATE 06/30/2016
DUE DATE 06/30/2016
TERMS Due on receipt

ACTIVITY	QTY	RATE	AMOUNT
Monthly MONTHLY REGULAR CLEANING SERVICE	3.25	75.00	243.75

BALANCE DUE

\$243.75

BI-ANNUAL INSURANCE

5/11/2017

Policy Information

Search

Policy Information

My Accounts

Policy number	05-B8-Y849-7
Policy type	Homeowners
Mailing address	627 Waller St San Francisco, CA 94117-3320
Phone number	(530) 580-8580
Email address	JOHNFARGO@GMAIL.COM

Manage Your Policy

Expand all sections | Collapse all sections

General & Billing Information

Location	627 Waller St San Francisco, CA 94117-3320
Policyholder	Hjelmstad, John & Bransfield, Allison
Renewal date	11/04/2017
Premium	\$1,541.00
Amount due	\$0.00
Bill to	Hjelmstad, John & Bransfield, Allison 627 Waller St San Francisco, CA 94117-3320

Coverages, Deductibles & Discounts

Forms, Endorsements & Options

Declarations & Policy Information

The information presented in this document is not a declaration page, policy, or endorsement. Recent changes to the policy may not be reflected. If you have any questions about this form or would like to obtain a declaration page or a copy of your policy, please contact your State Farm Agent for assistance.

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REPRESENTATIVE ELEC. BILL

Your PG&E Energy Statement is Ready to View

CustomerServiceOnline to me

Apr 17

Dear Valued Customer,

Your Pacific Gas and Electric Company (PG&E) energy statement(s) is now available on pge.com.

The amount of \$272.22 for account number *****3247-4 is due on 05/04/2017.

Please log in to pge.com to view and pay your bill.

Click below to view the most recent bill inserts including any legal and mandated notices.

www.pge.com/billinserts

We thank you for being a valued PG&E customer.

Sincerely,

Customer Care

Pacific Gas and Electric Company

77 Beale St., San Francisco, CA 94105

Did you know you can avoid paying the convenience fee by logging in to your pge.com account and making a payment with your bank account? While you are there, consider enrolling in paperless billing and recurring payments.

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REPRESENTATIVE WATER BILL

Your New SFPUC Water Bill!

customerservice to me

Apr 15

Dear Hjelmstad, John,

Your SF Water eBill is now available. Log on to [My Account](#) to view your bill and usage, and pay your bill.

Account Number: 5441993870

Name: Hjelmstad, John

Amount Due: \$86.47

Due Date: 05/01/2017

Thank you for using eBill, and don't forget that you can set up automatic recurring ePayments.

For any questions, you may contact Customer Service via <https://myaccount.sfwater.org>.

Please do not reply to this email.

Thank you,

San Francisco Water Power Sewer

Your dollars are at work 24 hours a day, 7 days a week!

Follow us to learn more: @sfwater (Facebook, Twitter, Instagram.)

All account service notifications for this account will continue to be sent to this email address. This email is for informational purposes only.

Please do not reply to the email address above.

**Transmittal Materials
Mills Act Historical Property Contracts**

compliance with the approved Maintenance and Rehabilitation plans as well as a cyclical 5-year site inspection.

The Mills Act Historical Property Contract is time sensitive. Contracts must be recorded with the Assessor-Recorder by December 30, 2017 to become effective in 2018. 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: Erica Major, Office of the Clerk of the Board
Andrea Ruiz-Esquide, City Attorney's Office

Attachments:

Mills Act Contract Case Report, dated October 7, 2015

215 and 229 Haight Street (formerly 55 Laguna 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

56 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

60-62 Carmelita 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

Transmittal Materials
Mills Act Historical Property Contracts

101 Vallejo 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

627 Waller 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

940 Grove 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

973 Market 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

1338 Filbert 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

FORM SFEC-126:
NOTIFICATION OF CONTRACT APPROVAL
(S.F. Campaign and Governmental Conduct Code § 1.126)

City Elective Officer Information <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, Board of Supervisors	City elective office(s) held: Members, Board of Supervisors
Contractor Information <i>(Please print clearly.)</i>	
Name of contractor: John Hjelmstad & Allison Bransfield, property owners	
<i>Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary.</i> John Hjelmstad & Allison Bransfield	
Contractor address: 627 Waller San Francisco, CA 94117	
Date that contract was approved: <i>(By the SF Board of Supervisors)</i>	Amount of contracts: \$25,905 (estimated property tax savings)
Describe the nature of the contract that was approved: Mills Act Historical Property Contract	
Comments:	

This contract was approved by (check applicable):

the City elective officer(s) identified on this form

a board on which the City elective officer(s) serves: San Francisco Board of Supervisors
Print Name of Board

the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Redevelopment Agency Commission, Relocation Appeals Board, Treasure Island Development Authority) on which an appointee of the City elective officer(s) identified on this form sits

Print Name of Board

Filer Information <i>(Please print clearly.)</i>	
Name of filer: Angela Calvillo, Clerk of the Board	Contact telephone number: (415) 554-5184
Address: City Hall, Room 244, 1 Dr. Carlton B. Goodlett Pl., San Francisco, CA 94102	E-mail: Board.of.Supervisors@sfgov.org

Signature of City Elective Officer (if submitted by City elective officer)

Date Signed

Signature of Board Secretary or Clerk (if submitted by Board Secretary or Clerk)

Date Signed