

File No. 150673

Committee Item No. 13  
Board Item No. 33

### COMMITTEE/BOARD OF SUPERVISORS

#### AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Sub-Committee Date July 22, 2015

Board of Supervisors Meeting Date July 28, 2015

**Cmte Board**

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Completed by: Linda Wong Date July 17, 2015  
Completed by: Linda Wong Date July 22, 2015

AMENDED IN COMMITTEE

7/22/15

FILE NO. 150673

RESOLUTION NO.

1 [Emergency Contracts - Cotton, Shires and Associates, Inc.; ARUP North America Limited;  
2 and Geostabilization International - Not to Exceed \$5,920,709]

3 **Resolution approving three emergency public work contracts under Administrative**  
4 **Code, Section 6.60, with Cotton, Shires and Associates, Inc.; ARUP North America**  
5 **Limited; and Geostabilization International for the Telegraph Hill Rock Slope**  
6 **Improvement Project to provide design support and stabilization and construction of**  
7 **the Northwest face of Telegraph Hill above Lombard and Winthrop Streets below**  
8 **Pioneer Park and Coit Tower with a total aggregate amount not to exceed \$5,920,709.**

9  
10 WHEREAS, On January 23, 2012, there was a rockslide from the northwest slope of  
11 Telegraph Hill onto Lombard Street, crushing a car, narrowly missing a residential  
12 condominium complex and threatening two other adjacent properties; and

13 WHEREAS, The City took immediate measures to temporarily secure Telegraph Hill;  
14 and

15 WHEREAS, San Francisco Public Works developed the Telegraph Hill Rock Slope  
16 Improvement Project to stabilize Telegraph Hill on behalf the San Francisco Recreation and  
17 Parks Department (RPD), and the Department of Building Inspection (DBI); and

18 WHEREAS, Because the risk of rock slides increases in the winter months, San  
19 Francisco Public Works Director Nuru declared an emergency on July 7, 2014, affirming and  
20 recognizing that the instability of the hillside jeopardizes the health, safety and property of the  
21 Citizens of the City and County of San Francisco; the Emergency Order and Award is on file  
22 with the Clerk of the Board of Supervisors in File No. 150673, which is hereby declared to be  
23 a part of this resolution as if set forth fully herein; and

24 WHEREAS, Administrative Code, Section 6.60, authorizes department heads  
25 responsible for public work to award an emergency contract, exempt from the competitive

1 bidding process, in the event of an actual emergency which includes the “breakdown or  
2 imminent breakdown of any plant, equipment, structure, street or public work necessitating  
3 immediate emergency repair or reconditioning to safeguard the lives or property of the  
4 citizens; or the property of the City and County; or to maintain the public health or welfare;”  
5 and

6 WHEREAS, Administrative Code, Section 6.60(D), requires that the Board of  
7 Supervisors approve emergency work with an estimated cost in excess of \$250,000; and

8 WHEREAS, The cost to implement the Telegraph Hill Rock Slope Improvement  
9 Project, including the design, construction monitoring and construction is \$5,920,709; and

10 WHEREAS, Public Works has executed a contract valued at \$501,255 with Cotton  
11 Shires, for design consulting and geotechnical monitoring work for the Telegraph Hill Rock  
12 Slope Improvement Project for the portion of lands north of the centerline of Lombard Street;  
13 and

14 WHEREAS, Public Works has executed a contract valued at \$326,289 with ARUP  
15 North America Limited, for design consulting and geotechnical monitoring work for the  
16 Telegraph Hill Rock Slope Improvement Project for the portion of lands belonging to the  
17 Recreation and Parks Department; and

18 WHEREAS, Public Works has executed a contract valued at \$5,093,165 with  
19 Geostabilization International to perform the Telegraph Hill Rock Slope Improvement Project  
20 including, scale the rock slope, install shotcrete facing, install rock anchors and wire mesh  
21 netting on the exposed rock face, and all appurtenant work in accordance with drawings and  
22 specifications; and

23 WHEREAS, Public Works is requesting a not to exceed value of \$5,920,709 to fund a  
24 construction contingency for any unforeseen existing site conditions; and

25 WHEREAS, The Controller has certified that funds are available for this emergency  
contract; now, therefore, be it

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RESOLVED, That the Board of Supervisors approves and authorizes the Director of San Francisco Public Works to proceed with all work necessary to provide design support and stabilization of the Northwest face of Telegraph Hill with aggregate contract amounts not to exceed \$5,920,709; and, be it

FURTHER RESOLVED, That within thirty (30) days of the contracts being fully executed by all parties, Public Works shall provide the final contracts to the Clerk of the Board for inclusion into the official file.

**Item 13**  
**File 15-0673**

**Department:**  
General Services Agency - Department of Public Works  
(DPW)

## EXECUTIVE SUMMARY

### Legislative Objectives

- The proposed resolution would approve three emergency public works contracts under Administrative Code Section 6.60 with Cotton, Shires and Associates, Inc., ARUP North America Limited, and GeoStabilization International for the Telegraph Hill Rock Slope Improvement Project, with a total aggregate amount not to exceed \$6,094,016.

### Key Points

- The Department of Public Works (Public Works) developed the Telegraph Hill Rock Slope Improvement Project as an emergency project to stabilize Telegraph Hill, which in January 2012 experienced a 200-ton rockslide.
- In July 2014 Public Works declared an emergency to expedite the work on the affected area of Telegraph Hill so that work could begin prior to the 2014 rainy season.
- Public Works subsequently entered into three emergency contracts with Cotton, Shires and Associates, Inc., ARUP North America Limited, and GeoStabilization International to complete the project for a total aggregate amount not to exceed \$5,920,709.
- The Telegraph Hill Rock Slope Improvement Project was completed on June 19, 2015.

### Fiscal Impact

- The total estimated cost for the Telegraph Hill Rock Slope Improvement Project is \$6,550,445, of which approximately \$6,000,000 is for the three emergency contracts, \$350,000 is for internal labor, and \$200,445 is for other costs.

### Policy Considerations

- On June 23, 2015, the Board of Supervisors approved Ordinance No. 108-15 stating that if the estimated cost of the emergency exceeds \$250,000, the proposed resolution approving the emergency determination must be submitted to the Board of Supervisors within 60 days of the department head's emergency declaration.

### Recommendations

- Amend the proposed resolution to delete the incorrect contract amount of \$336,771 with Cotton, Shires and Associates, Inc. and add the correct contract amount of \$501,255.
- Amend the proposed resolution to delete the incorrect contract amount of \$4,441,609 with GeoStabilization International and add the correct contract amount of \$5,093,165.
- Amend the proposed resolution to delete the incorrect not-to-exceed amount of \$6,094,016 and add the correct not-to-exceed amount of \$5,920,709.
- Approve the resolution as amended.

**MANDATE STATEMENT / BACKGROUND****Mandate Statement**

Administrative Code Section 6.60(D) states that contracts entered into for emergency work in the amount of \$250,000 or more are subject to Board of Supervisors approval. Section 6.60(D) currently states that if the emergency does not permit approvals prior to undertaking the emergency work, department heads may enter into agreement(s), and seek approval from the Board of Supervisors as soon thereafter as possible.

The Administrative Code defines an "actual emergency" as a sudden, unforeseeable, and unexpected occurrence involving a clear and imminent danger, demanding immediate action to prevent or mitigate loss of or damage to life, health, property, or essential public services. An actual emergency also means the discovery of any condition involving a clear and imminent danger to public health or safety, and demanding immediate action.

**Background**

For many years the sloped and unimproved portions of Lombard Street below Coit Tower and between Telegraph Hill Boulevard and Montgomery Street and adjacent properties have undergone erosion and rock slides. The City and adjacent private property owners have undertaken various efforts to stabilize portions of Telegraph Hill in this area, including the installation of a rock catchment fence, debris removal, and slope protection. Despite these efforts, the steeply sloped area continues to be problematic with occasional slides, although past winters' drought conditions have contributed only minor saturation to Telegraph Hill.

In January 2012 during a period of continuous heavy rain, there was a 200-ton rockslide from the northwest slope of Telegraph Hill, above Lombard and Winthrop Streets and below Pioneer Park and Coit Tower, onto Lombard Street. The City took immediate measures to temporarily secure the area. Immediately after the rockslide, the Department of Public Works (Public Works) hired engineering consultants ARUP North America Limited on behalf of the Recreation and Park Department (RPD) to assess the geotechnical condition of the site. According to Ms. Julia Dawson, Deputy Director of Finance and Administration at Public Works, ARUP North America Limited finalized the engineering report in January 2013. Public Works then authorized them to develop construction plans to stabilize the hillside in 2014. According to Ms. Dawson, these plans were finished in July 2014.

**Emergency Declaration and the Telegraph Hill Rock Slope Improvement Project**

After the completion of the construction plans, Public Works, RPD, the Department of Building Inspection (DBI), and the geotechnical consultants agreed that the work to stabilize the most unstable portion of the hillside needed to begin as soon as possible, ideally before the start of the 2014 rainy season. On July 7, 2014 the Director of Public Works issued Public Works Order No. 1822776 declaring an emergency to expedite the stabilization work on the affected areas of Telegraph Hill. This emergency Telegraph Hill Rock Slope Improvement Project includes City property under the jurisdiction of RPD on the south side of Lombard Street, City property under

the jurisdiction of Public Works for the Lombard Street right-of-way, and private property under the jurisdiction of DBI located on the north side of Lombard Street at Block 0060/Lot 005.

Following the emergency declaration, Public Works entered into three emergency contracts with (1) Cotton, Shires and Associates, Inc. on July 7, 2014, (2) ARUP North America Limited on July 10, 2014, and (3) GeoStabilization International on October 27, 2014 to complete the Project.

- (1) Cotton, Shires and Associates, Inc., a geotechnical consultant, completed a design to stabilize the portion of the hillside on Block 0060/Lot 005 for 260 Lombard Street LLC, the private property owner, in May 2014. A Mitigation Work Agreement between the City and 260 Lombard Street LLC dated August 13, 2014 required Public Works to retain Cotton, Shires and Associates in the Telegraph Hill Rock Slope Improvement Project to provide construction support at Block 0060/Lot 005 to ensure the construction work on-site would be performed in accordance with the design paid for by the owner. Cotton, Shires and Associates, Inc. also provided engineering construction support in the northern Lombard Street right-of-way, which is under the jurisdiction of Public Works and adjacent to the private property.
- (2) ARUP North America Limited completed a design to stabilize the portion of the hillside under the jurisdiction of RPD and in the southern Lombard Street right-of-way in June 2014. ARUP North America Limited is a Public Works as-needed engineering consultant whose services were procured through a competitive process. Public Works negotiated an emergency contract to retain the firm to provide construction support based on time and materials, using the same rates in the ARUP North America Limited as-needed service contract.

Based on the designs developed in May and June of 2014 by ARUP North America Limited and Cotton, Shires and Associates, Inc., Public Works developed a construction specification document and solicited qualifications and cost proposals from nine qualified contractors to perform the geotechnical construction work to stabilize the hillside. Public Works received four proposals on August 8, 2014.

- (3) GeoStabilization International was one of the four contractors that submitted proposals to Public Works to perform the construction work. Public Works evaluated the proposals based on price, qualifications, safety record, and method of construction, and selected the highest-scoring contractor, GeoStabilization International. According to Mr. Rinaldi Wibowo, Project Manager at Public Works, GeoStabilization International's final negotiated contract price of \$3,870,039 was lower than any of the four original submitted proposals.

The emergency contract with GeoStabilization International was awarded on October 27, 2014, with the notice to proceed on November 13, 2014 for 180 days, or through May 19, 2015. The contract term was extended to June 19, 2015 due to work delays related to negotiations with an adjacent property owner at 268 Lombard Street. As a result, the contracts with ARUP North America Limited and Cotton, Shires and Associates were both extended to June 19, 2015 to provide additional construction support. On June 19, 2015, the Telegraph Hill Rock Slope

Improvement Project was completed. The rock face was reinforced by installing over 400 rock anchors, 30-foot-long wire mesh anchors, wire mesh along the majority of the cliff face, and shotcrete<sup>1</sup> at select locations.

#### DETAILS OF PROPOSED LEGISLATION

The proposed resolution would approve three emergency public works contracts under Administrative Code Section 6.60 for the Telegraph Hill Rock Slope Improvement Project with (1) Cotton, Shires and Associates, Inc. for design consulting and geotechnical monitoring work, (2) ARUP North America Limited for design consulting and geotechnical monitoring work, and (3) GeoStabilization International for the construction of the project, including: scaling the rock slope, installing shotcrete facing, installing rock anchors and wire mesh netting on the exposed rock face, and all appurtenant work in accordance with drawings and specifications, for a total aggregate amount not to exceed \$6,094,016 for the consulting and construction contracts.

#### FISCAL IMPACT

Public Works entered into three emergency contracts to complete the Project. As shown in Table 1 below, the three original contracts totaled \$4,363,073. However, all three contractors submitted change orders, which were subsequently approved by Public Works for a total revised amount of \$5,920,709. The actual expenditures of \$4,361,362 shown in Table 1 below are through June 30, 2015; according to Mr. Wibowo, once the construction contractor and two consultant invoices are processed, the invoices are projected to total the revised contract amount of \$5,920,709.

**Table 1: Contract Expenditures for the Telegraph Hill Rock Slope Improvement Project through June 30, 2015**

Contract	Original Contract	Change Orders	Revised Contract	Actuals
ARUP North America Limited	\$263,343	\$62,946	\$326,289	\$200,134
Cotton, Shires and Associates	229,691	271,563	501,255	335,114
GeoStabilization International	3,870,039	1,223,125	5,093,165	3,826,114
<b>Subtotal</b>	<b>\$4,363,073</b>	<b>\$1,557,634</b>	<b>\$5,920,709</b>	<b>\$4,361,362</b>

Source: Department of Public Works

The proposed resolution states that the contract amount with Cotton, Shires and Associates was \$336,771. The correct contract amount is \$501,255. The proposed resolution states that the contract amount with GeoStabilization International was \$4,441,609. The correct contract amount is \$5,093,165. The proposed resolution states that the total contract amount for the three emergency contracts is \$6,094,016; as shown in Table 1 above, the total revised contract amount is \$5,920,709.

<sup>1</sup> Shotcrete is concrete that is pneumatically projected at high velocity through a hose. It is used to stabilize hills and cliffs because it can be sprayed onto any shape and type of surface, including vertical or overhead areas.



All work was completed by June 19, 2015. The total estimated cost for the Telegraph Hill Rock Slope Improvement Project is \$6,550,445, of which approximately \$6,000,000 is for the three emergency contracts noted above, \$350,000 is for internal labor, and \$200,445 is for other costs. Table 2 below summarizes the funding sources and uses.

**Table 2: Sources and Uses for the Telegraph Hill Rock Slope Improvement Project**

Sources	Total Estimated Cost	Actuals through June 30, 2015
RPD Capital Improvement Program FY 13-14	\$1,017,850	\$955,598
Public Works Capital Improvement Program FY 14-15	2,000,000	1,663,685
Public Works Other Capital Improvement Program	282,595	215,583
DBI Repair and Demolition Fund FY 14-15 <sup>2</sup>	2,600,000	1,905,285
Public Works Capital Improvement Program FY 15-16	650,000	0
<b>Total Sources</b>	<b>\$6,550,445</b>	<b>\$4,740,151</b>
Uses		
Internal Labor	\$350,000	\$263,548
Consulting and Construction Costs (see Table 1 above)	6,000,000*	4,361,362
Other Costs	200,445	85,241
<b>Total Uses</b>	<b>\$6,550,445</b>	<b>\$4,710,151</b>

\*The revised amount is \$5,920,709 as shown in Table 1 above.

Source: Department of Public Works

## POLICY CONSIDERATION

On June 23, 2015, the Board of Supervisors approved an ordinance (File 15-0175; Ordinance No. 108-15) amending Chapter 6 of the City's Administrative Code, including Section 6.60 regarding emergency repairs, work and contracts. Under the new provisions, the department head responsible for addressing the emergency may declare an emergency with immediate notice to the Board of Supervisors, the Mayor, Controller and board or commission having jurisdiction over the emergency. In addition, if the estimated cost of the emergency exceeds \$250,000, the proposed resolution approving the emergency determination must be submitted to the Board of Supervisors within 60 days of the department head's emergency declaration.

As discussed above, the Director of Public Works declared the emergency on July 7, 2014 and the proposed resolution approving the emergency determination was submitted to the Board of Supervisors on June 18, 2015, almost a year, or 346 days after the emergency was declared.

<sup>2</sup> The Telegraph Hill Rock Slope Improvement Project includes properties under the jurisdiction of DBI for the private property located on the north side of Lombard Street at Block 0060/Lot 005. In July 2014 the Board of Supervisors approved Ordinance No. 169-14 (File 14-0627) authorizing the use of DBI's Repair and Demolition Fund as defined in Building Code Section 102A.13 for the costs associated with the private property. DBI may use this Fund to remedy unsafe conditions when a responsible property owner fails or is unable to do so. Once the construction work is complete, the owner will donate the subject property to the City.

Although the recently approved ordinance is not yet effective, it is significant to note that the proposed resolution was submitted 286 days in excess of the recently approved 60 day limit. One of the major reasons for reducing the amount of time for departments to submit their emergency resolutions to the Board of Supervisors is to allow the Board to consider the emergency nature of the contracts, shortly after the emergency is declared.

However, given that the proposed resolution was submitted almost a year after the declaration of the emergency and that all of the emergency contractual work has now been completed, the proposed resolution should be approved.

### RECOMMENDATIONS

1. Amend the proposed resolution to delete the incorrect contract amount of \$336,771 with Cotton, Shires and Associates, Inc. and add the correct contract amount of \$501,255.
2. Amend the proposed resolution to delete the incorrect contract amount of \$4,441,609 with GeoStabilization International and add the correct contract amount of \$5,093,165.
3. Amend the proposed resolution to delete the incorrect not-to-exceed total amount for the consulting and construction contracts of \$6,094,016 and add the correct not-to-exceed amount of \$5,920,709.
4. Approve the proposed resolution, as amended.



Edwin M. Lee  
Mayor

Mohammed Nuru  
Director

John Thomas  
Division Manager

Project Management  
and Construction

30 Van Ness Ave.  
San Francisco, CA 94102  
tel 415-558-4000

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RECEIVED  
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SAN FRANCISCO

June 18, 2015

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Angela Calvillo  
Clerk of the Board of Supervisors  
1 Dr. Carlton B. Goodlett Place  
City Hall, Room 244  
San Francisco, CA 94102-4689

VIA Hand Delivery

Subject: Request for a Resolution Approving Three Emergency Public  
Work Contracts for the Telegraph Hill Rock Slope Improvement  
Project

Dear Ms. Calvillo:

Attached is an original and two copies and the supporting documentation for a  
Resolution requesting approval of three emergency public work contract under  
Administrative Code Section 6.60, for the Telegraph Hill Rock Slope  
Stabilization and Improvement Project.

We respectfully request passage of the Resolution supporting this declaration  
of emergency and award of three contract with a not to exceed amount of  
\$6,094,016.

The contact person for this resolution is Rinaldi Wibowo at (415) 558-4551.

Yours truly,

Mohammed Nuru

Encls.





Edwin M. Lee  
Mayor

Mohammed Nuru  
Director

John Thomas  
Division Manager

Project Management  
and Construction

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To: Budget and Finance Committee  
Board of Supervisors

From: Rinaldi Wibowo, Project Manager

Date: June 18, 2015

Subject: Telegraph Hill Rock Slope Improvement Project

The Telegraph Hill Rock Slope Improvement is an emergency project to stabilize the northwest face of Telegraph Hill at Lombard and Winthrop prior to the winter of 2014. We are providing this memorandum to notify the Board in accordance with the San Francisco Administrative Code, Section 6.60 Emergency Repairs, Work and Contracts.

#### Emergency Project Description

The steeply sloped and unimproved portion of Telegraph Hill below Coit Tower and above Lombard Street and Winthrop Street has experienced severe erosion and recurring rock slides. In 2012, there was a 200-ton rockslide at this location which crushed a parked car and narrowly missed a residential condominium complex located below. The Department of Public Works (Public Works), the Department of Building Inspection (DBI) and geotechnical consultants hired to assess the area agreed that the stabilization work in the most unstable portion of the hillside needed to start as soon as possible to mitigate the risk of future rock slides, ideally before the start of the 2014 rainy season.

The Telegraph Hill Rock Slope Improvement project includes properties under the jurisdiction of the Recreation and Park Department (RPD) for the south side of unimproved Lombard Street; Public Works for the portion within the Lombard Street right-of-way, and DBI for the private property located on the north side of Lombard Street at Block 0060/ Lot 005. Please refer to Figure 1, which provides a map of the area showing the affected land parcels, the jurisdictional boundaries of the properties, the adjacent properties, the contractor names, contract values and source of funds.

The Assessor's valuation of the private property in the project area, Block 0060/Lot 005, is \$12,000, far below estimated construction cost of \$1.8 million to stabilize this portion of the hillside. Recognizing the imminent risks at this site and the limits of the City's ability to abate the unsafe conditions on private property as defined by Building Code Section 102A.16, the Board of Supervisors approved Ordinance No. 169-14 on July 22, 2014. This ordinance

authorized the use of the Department of Building Inspection's Repair and Demolition Fund, as defined in the Building Code, Section 102A.13, for the costs associated with the private property. A copy of this approved ordinance is attached for reference.

The City subsequently negotiated a Mitigation Work agreement for Block 0060/Lot 005 with the private property owner, 260 Lombard Street LLC, dated August 13, 2014. This agreement required the City to enter into a contract with the property owner's geotechnical consultant, Cotton, Shires, and Associates (CSA), so that construction work on site would be performed in accordance with the design paid for by the owner. Once the construction work is complete, the owner will donate the subject property to the City. A copy of the executed Mitigation Work agreement is attached for reference.

To expedite the work on the affected area of Telegraph Hill, Public Works declared an emergency on July 7, 2014, issuing DPW Order No. 1822776. Public Works negotiated and entered into three emergency contracts to complete the project as shown in the table below. Because of limited funding, the project only improves the area adjacent to the Lombard Street right of way, which the geotechnical consultants determined posed the highest risk. Public Works has requested funding in the FY 15/16 City Capital Plan to stabilize the remaining upper section of Telegraph Hill in this area, which is under the jurisdiction of RPD (Figure 1). Public Works is requesting approval for three emergency contracts with a total value of \$6,094,016.

**Table 1 – Summary of Contract Budget**

<b>Contractor</b>	<b>Scope</b>	<b>Funding Source</b>	<b>Amount</b>
1. ARUP North America, LTD	Engineering Construction Support for the area South of the centerline of Lombard Street	Capital Project Funds	\$326,289
2. Cotton, Shires, and Associates	Engineering Construction Support for the area South of the centerline of Lombard Street	Capital Project Funds	\$111,526
		DBI Repair and Demolition Fund	\$389,729
3. Geostabilization Inc.	Construction work to scale the rock slope, install shotcrete facing, rock anchors, and wire mesh netting.	Capital Project Funds	\$2,921,318
		DBI Repair and Demolition Fund	\$2,345,154
<b>Total Request</b>			<b>\$6,094,016</b>

## Contract Descriptions

The contractors selected for this project are described in the following paragraphs:

### 1. **ARUP North America**

Public Works had already engaged the services of ARUP North America LTD for the design to stabilize the area under the jurisdiction of RPD and to the South of the Lombard Street Right of Way Centerline using its qualified list of as needed contractors. This design was completed in June, 2014.

ARUP/RYCG's contract did not have sufficient remaining financial capacity under its original award for the technical support services needed during construction. To maintain continuity, Public Works negotiated an emergency contract with ARUP North America Limited to provide construction support based on its design. This work includes engineering construction support south of the centerline within the Lombard Street right of way, which is under the jurisdiction of Public Works.

### 2. **Cotton, Shires, & Associates**

Cotton, Shires, & Associates (CSA) completed a design to mitigate and stabilize the hillside on Block 0060/Lot 5 for 260 Lombard Street LLC in May 2014. The executed Mitigation Work Agreement required Public Works to retain CSA to provide construction support of the Telegraph Hill Rock Slope Improvement Project at Block 0060/Lot 5. CSA is also providing engineering construction support north of the centerline within the Lombard Street right of way, which is under the jurisdiction of Public Works.

### 3. **Geostabilization International**

Public Works developed a construction specification document based on the designs developed by ARUP and CSA and solicited qualifications and cost proposals from nine contractors that were evaluated and determined to be qualified to perform the specialized geotechnical construction work required to stabilize the hillside. Solicited contractors were invited to an informational meeting on July 17, 2014 where Public Works described the project and answered technical questions. This informational meeting included a visit to the project site. On August 8, 2014 Public Works received four proposals. These proposals were evaluated on the basis of price, qualifications, safety record and the method of construction. Public Works awarded the contract to Geostabilization International (GSI), which offered the lowest price, an excellent safety rating, a strong construction proposal, and had included Local Business Enterprises (LBE) in its construction plan. GSI was the only proposer that planned to use LBEs for a portion of the work. The scope of the construction work includes scaling the slope to remove the loose rock, soil and vegetation, applying spray concrete (shotcrete) on the hillside, installing rock anchors and wire mesh netting on the exposed rock face.

If you have any additional questions on this project, please contact me.

Sincerely,

Rinaldi Wibowo – Project Manager

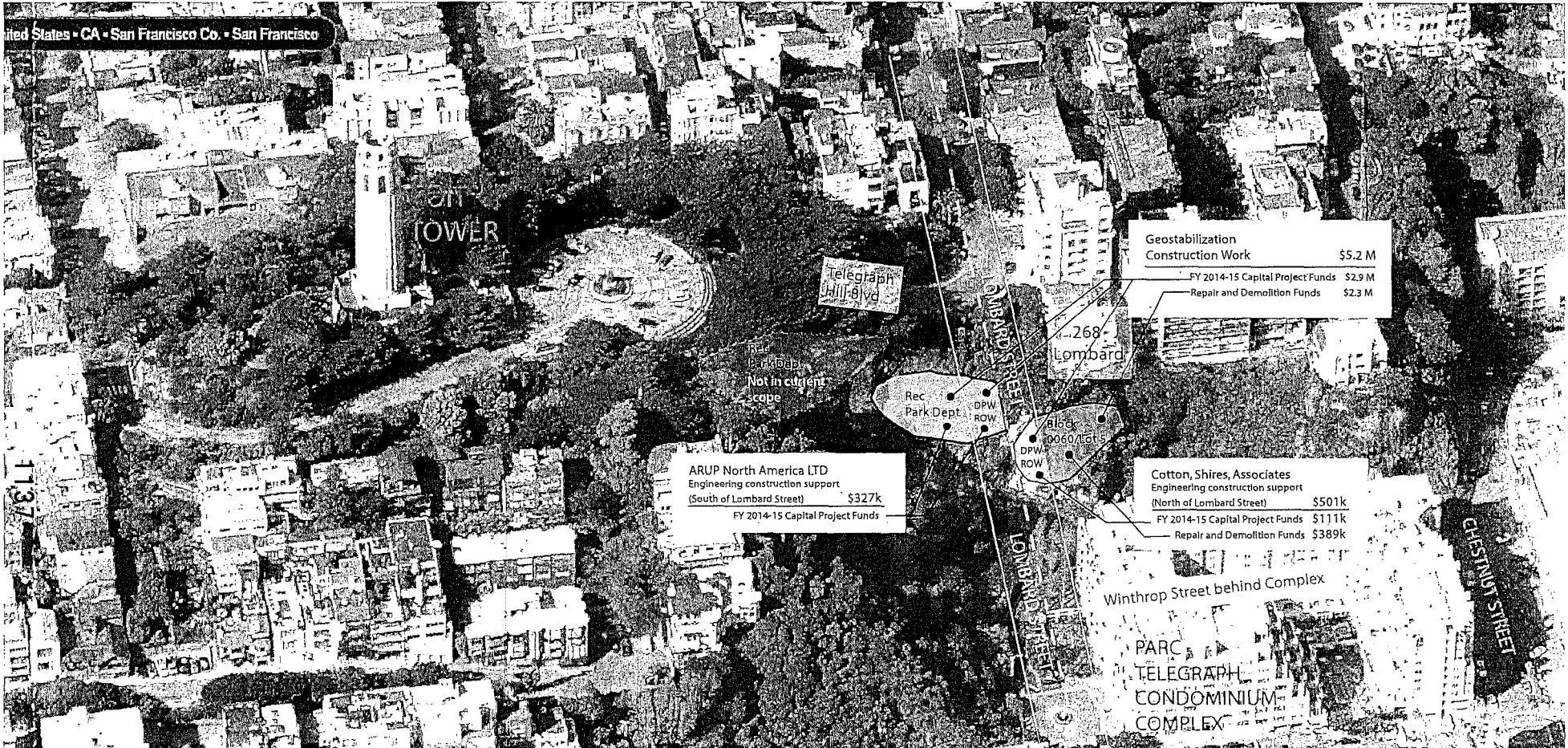
(415) 558-4551

[rinaldi.wibowo@sfdpw.org](mailto:rinaldi.wibowo@sfdpw.org)

Attachments:

1. Figure 1, Map of Project Area
2. Executed Mitigation Work Agreement, dated August 13, 2014 between City and 260 Lombard Street LLC
3. Board of Supervisor approved Ordinance No. 169-14, dated July 22, 2014





MAP OF PROJECT AREA

Telegraph Hill Rock Slope Improvement Project  
at Lombard Street  
Project No. 2512J

June 2015

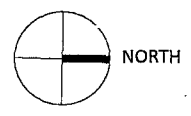


Figure 1



## MITIGATION WORK AGREEMENT

THIS MITIGATION WORK AGREEMENT (this "Agreement"), dated for reference purposes only as of August 13, 2014 (the "Agreement Date"), is made by and between 260V Lombard Street LLC, a California limited liability company ("Owner"), and the City and County of San Francisco, a municipal corporation ("City").

### RECITALS

A. Owner owns the real property commonly known as 260 Lombard Street, in San Francisco, California, and more particularly described in the attached Exhibit A (the "Property").

B. Owner and City wish to coordinate current hill stabilization work (the "Project") on the Property and the sections of Lombard Street and Winthrop Street abutting the Property (the "Street Sections") on the terms and conditions set forth below in connection with, and in response to, that certain Order of Abatement ("Order") No. 201324192, dated January 14, 2014, issued to Owner in connection with the Property. A true and correct copy of the Order is attached hereto as Exhibit B.

### AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for such other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Owner and City hereby agree as follows:

1. Plans.

(a) Owner has obtained a final, signed Rock Slope Improvement Plan for the Property prepared by Cotton, Shires & Associates, Inc. ("CSA") and dated May 6, 2014 (collectively, the "Plans") pursuant to a contract by and between CSA and Owner (the "CSA-Owner Contract") for the permanent repair of the Property and the Street Sections, together with a construction cost estimate to implement the Plans (collectively, "Phase I of CSA-Owner Contract"), and Owner directed CSA to deliver a copy of the Plans and such construction cost estimate to City. Within three (3) business days following the full execution and delivery of this Agreement, Owner shall pay CSA in full solely for the Plans, which constitute Phase I of the CSA-Owner Contract, but not for Phases II and III thereof. City releases any claims that it may have against Owner with respect to any design defect in the Plans, except to the extent that any design defect arises from Owner's failure to disclose to CSA any condition on the Property known to Owner on or before the Agreement Date.

(b) City shall conduct good faith negotiations with CSA on the terms of a mutually satisfactory agreement (the "City-CSA Contract") that allows City to use and rely on the Plans in carrying out the Project, with CSA having liability to City for any design defect in the Plans.

2. Permits and Environmental Review. If Owner timely pays CSA in full for the Plans, City shall notify Owner in writing (the "City Notice") of the fees that will be payable to apply for the City's Planning Department environmental review under the California Environmental Quality Act ("CEQA") and the building permit ("DBI Permit") required for the Project by City's Planning Department and Department of Building Inspection ("DBI"), respectively, and the costs assessed against Owner by DBI in enforcing the Order as of such date, including the Assessment of Costs dated January 15, 2014 as required by Section 102A.3 of the San Francisco Building Code. The foregoing costs and fees are collectively hereinafter referred to as the

"Fees". Within five (5) business days of receiving the City Notice, Owner shall deliver the Fees to the Director of City's Department of Public Works ("DPW"), which City shall use only to pay for such applications and such DBI enforcement costs. City shall submit such applications within two (2) business days of receiving the Fees from Owner. The total amount of the Fees shall not exceed \$60,000. Owner consents to DBI's issuance of the DBI Permit to DPW for the portion of Project to be performed at the Property. Owner's payment to CSA for the Plans and Owner's payment of the Fees are sometimes hereinafter collectively referred to as "Owner's Project Payments".

3. Performance of Project.

(a) City shall retain a California-licensed contractor that has prior experience performing work similar to the Project (the "Contractor") to perform the Project at City's sole cost when the following conditions are met (the "Performance Conditions"): (i) Owner timely delivers the Fees to the Director of DPW, (ii) the required DBI Permit shall be issued for the Project, and (iii) City's Planning Department has completed all required environmental review under CEQA for the Project. City shall require the Contractor to name Owner as an additional named insured in its commercial general liability insurance policy for the Project and to agree to defend, indemnify, and protect Owner against any claims or liabilities that arise in connection with Contractor's work on the Project.

(b) Consistent with CEQA, prior to City's approval of any proposed City contract with Contractor for the performance of the Project (the "Construction Contract"), City shall retain the absolute discretion to make modifications to the Plans to the extent necessary to mitigate significant environmental impacts, and, if such significant impacts are impossible to address or remedy, City may elect not to proceed with the Project; provided, however, that City may proceed with the Project notwithstanding any such significant effects if the benefits of the Project outweigh unavoidable significant adverse impacts. Owner shall have no obligation to pay for any Plan changes proposed by City as a result of such environmental review by City's Planning Department, if City's Planning Department determines that Plan changes are required to comply with CEQA and CSA and City cannot reach agreement with respect to any such proposed Plan changes.

(c) If the Performance Conditions are fulfilled, Contractor's performance of the Project on the Property shall be performed pursuant to the License Agreement between City and Owner and attached to this Agreement as Exhibit C. City has allocated \$3,800,000 in funds for the Project, which amount was certified as being available by the City's Office of the City Controller through the certificate attached to this Agreement as Exhibit D. Owner shall reasonably cooperate with City to allow City to complete the Project work to be performed on the Property. If the Performance Conditions are fulfilled and Owner timely complies with its obligations under this Agreement and the License Agreement, but City fails to complete the Project, Owner may pursue such remedies as are available to it at law or in equity, including, but not limited to, specific performance.

4. Order of Abatement. The Property is currently subject to the Order for the mitigation of the conditions specified in the Order. Within five (5) business days of the later to occur of Owner's payment to CSA for the Plans and Owner's payment of the Fee to DPW, the Director of DBI shall issue a modification to the Order, and send a letter to Owner, in substantially the forms attached to this Agreement as Exhibit E.

5. Proposed Donation of Subject Property.

(a) If the Performance Conditions are timely fulfilled, Owner shall deliver the following materials (the "Property Materials"), at its sole cost, to the City's Director of Property within thirty (30) business days of Owner's receipt of the City Notice: (i) a preliminary report or litigation guaranty for the Property, prepared by Chicago Title Company and dated no

earlier than June 1, 2014, and (ii) a Phase I environmental assessment report, prepared by an environmental consultant licensed by the State of California and dated no earlier than June 1, 2014. If City's Director of Property approves of the condition of the Property based on such reports, which approval shall not be unreasonably withheld, City's Director of Property shall notify Owner of such approval. Within three (3) business days of receiving such notice, Owner shall deliver to the City's Director of Property the application fee (the "Referral Fee") for the General Plan conformance and CEQA review that must be performed by City's Planning Department before City's Board of Supervisors can consider legislation to accept ownership of the Property or any vacation of the Street Sections.

(b) Within three (3) business days of receiving the Referral Fee from Owner, City's Director of Property shall submit the Referral Fee and the General Plan and CEQA review application with the City's Planning Department. Owner acknowledges that the Referral Fee is currently \$3,543, but will be increased on August 1, 2014, and City's Director of Property cannot submit the Referral Fee until he has received and approved the Property Materials.

(c) If City's Planning Department determines that the City's acceptance of the Property would conform to the City's General Plan and is exempt from review under CEQA or would not result in significant impacts that cannot be otherwise be addressed, then within five (5) business days of receiving such confirmation from the City's Planning Department in writing, the City's Director of Property shall submit legislation (the "Donation Legislation") for the acceptance of Owner's donation of fee ownership of the Property to City's Board of Supervisors and Mayor for consideration in their sole and absolute discretion.

(d) If the City's Board of Supervisors and Mayor approves the Donation Legislation, within ten (10) business days of such approval, Owner shall terminate all agreements for the possession or use of the Property (other than the License Agreement) and deliver an original quitclaim deed in the form attached to this Agreement as Exhibit F to City's Director of Property, duly executed by Owner and notarized. Within ten (10) business days of receiving the duly executed and notarized Deed from Owner, City's Director of Property shall sign the Certificate of Acceptance in the form attached to the Form Deed and record the duly executed and notarized Deed and executed Certificate of Acceptance in the Official Records of San Francisco County.

#### 6. Proposed Vacation of Street Sections.

(a) If City's Board of Supervisors rejects the Donation Legislation, or the Donation Legislation is vetoed by the City's Mayor without such veto being overridden by the City's Board of Supervisors, Owner shall deliver the following materials (collectively, the "Vacation Materials") to City's Director of Public Works: (i) an amount equal to \$2,500 to pay the fee charged by City's Bureau of Street Use and Mapping ("BSM") for street vacation applications; (ii) a letter from Owner requesting that the Street Sections be vacated from the public right of way and acknowledging that such a vacation would result in the Property losing abutter's rights to Lombard and Winthrop Streets, and (iii) a survey sketch of the Street Sections prepared by a licensed surveyor or a pre-1982 civil engineer at Owner's cost. Owner acknowledges that if the submitted survey sketch does not conform to BSM requirements and significant BSM time is required to prepare comments to the initial sketch and review a corrected sketch, the BSM application fee may be increased to reflect such additional BSM time, which increase would be at the rate of \$150 per hour.

(b) If City's Planning Department determines that the City's vacation of the Street Sections is exempt from review under CEQA or would not result in significant impacts that cannot be otherwise be addressed, within nine (9) months of receiving complete Street Vacation Materials that conform to the BSM's requirements for such items, BSM shall submit legislation (the "Vacation Legislation") to vacate the unpaved portions of Lombard Street and Winthrop

Street immediately abutting the Property from the public right of way to City's Board of Supervisors and Mayor for consideration in their sole and absolute discretion.

7. Term and Termination.

(a) This term of this Agreement (the "**Term**") shall commence on the date it is fully executed and shall expire on the earlier date (the "**Termination Date**") to occur of (i) the completion of the Project, and (ii) September 30, 2015. If either party defaults in the performance of its obligations under this Agreement, and fails to cure such default within five (5) business days of receiving written notice of such default from the other party, the non-defaulting party shall have the right to terminate this Agreement by delivering written notice of such termination to the defaulting party. If any material representation made by City or Owner in this Agreement is not correct and such representation has a material adverse effect upon the other party, the other party shall have the right to terminate this Agreement by delivering written notice of incorrect material representation to the party that made such representation.

(b) The acceptance of final payment of Owner's Project Payments under this Agreement by City shall operate as and shall be a release by City from all claims and liabilities against Owner and any of its successors, legal representatives, and assigns, for the Plans furnished by Owner to City under this Agreement. If the Owner timely delivers the Owner's Project Payments, performs its obligations under this Agreement and the License Agreement, and fully cooperates with City in allowing City to perform the Project, the Director shall consider the Owner to be in compliance with the Order and, on completion of the Project, the Order will be revoked as required by Section 102A.3 of the San Francisco Building Code.

8. No Representation or Warranty; Exculpation. Owner agrees and acknowledges that although the Department of Public Works, the Real Estate Division, BSM, and DBI are City departments, City staff and executives have no authority or influence over the officials, departments, boards, commissions or agencies responsible for the issuance of any regulatory approvals (including those required under CEQA or any City laws), which may be required for the Project or the passage of the Donation Legislation or the Vacation Legislation (individually, a "**Regulatory Agency**" and collectively, the "**Regulatory Agencies**"), including but not limited to City officials acting in a regulatory capacity. Accordingly, there is no guarantee, nor a presumption, that any of the Regulatory Approvals required for the approval of the Project or acceptance of the Donation Legislation or Vacation Legislation will be issued by the appropriate Regulatory Agency. Without limiting the foregoing, Owner understands and agrees that City staff have no obligation to advocate, promote or lobby any City official for any Regulatory Approval or for approval of the Project or of the Donation Legislation or Vacation Legislation. City's sole obligation shall be to present the Donation Legislation (provided that the conditions for such presentation set forth in Section 5 are timely fulfilled) and, if applicable, the Vacation Legislation (provided that the conditions for such presentation set forth in Section 6 are timely fulfilled), to the City's Board of Supervisors for its review and consideration. Owner hereby waives any claims against City, and fully releases and discharges City to the fullest extent permitted by law, from any liability relating to the failure of City or any Regulatory Agency from issuing any required Regulatory Approval or from issuing any approval of the Project or approval of the Donation Legislation or Vacation Legislation.

9. Ownership; Transfer by Owner. Owner represents and warrants to City that it is the sole owner in fee of the Property and the Plans, that no other person or entity has any ownership or possessory interest in the Property, and that the person signing on behalf of Owner has the authority to bind Owner to this Agreement. If Owner's title to or possession of all or any portion of the Property is sold, conveyed or otherwise transferred for any reason before the termination of this Agreement, Owner shall assign its rights and obligations under this Agreement to the new owner (who shall assume Owner's obligations hereunder) and shall immediately notify City in writing of such assignment and assumption and the name and address of the new owner.

10. MacBride Principles - Northern Ireland. The City and County of San Francisco urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1, *et seq.* The City and County of San Francisco also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Owner acknowledges that it has read and understands the above statement of the City and County of San Francisco concerning doing business in Northern Ireland.

11. Notification of Limitations on Contributions. Through its execution of this Agreement, Owner acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the selling or leasing any land or building to or from the City whenever such transaction would require approval by a City elective officer or the board on which that City elective officer serves, from making any campaign contribution to the officer at any time from the commencement of negotiations for such contract until the termination of negotiations for such contract or six (6) months has elapsed from the date the contract is approved by the City elective officer, or the board on which that City elective officer serves.

12. Notices. Except as otherwise expressly provided herein, any notices given under this Agreement shall be effective only if in writing and shall be deemed duly given: (i) when delivered if personally delivered to the recipient; (ii) when transmitted by facsimile device during normal business hours, provided such device generating a written confirmation of such transmission and receipt and the original notice is deposited in first class mail within the first business day immediately following such transmission by facsimile; (iii) on the first business day following delivery to an overnight delivery service, provided delivery is confirmed by the delivery service; and (iv) on the earlier of actual receipt or three (3) days following deposit in United States registered or certified mail, postage prepaid and return receipt requested, addressed to the parties as set forth below. Any party may change its address for notices by giving written notice to the other parties in the manner set forth below.

If to City: Real Estate Division  
25 Van Ness Avenue, Suite 400  
San Francisco, CA 94102  
Attn: Director of Property  
Fax No.: (415) 552-9216

Department of Public Works  
1 Dr. Carlton B. Goodlett Place  
City Hall Room 348  
San Francisco, CA 94102  
Attn: Director of Public Works  
Fax No.: (415) 544-6944

If to Owner: Mr. Neveo Mosser  
The Mosser Companies  
308 Jessie Street  
San Francisco, CA 94103  
Fax No.: (415) 284-9020

With Copy to: John G. Dooling, Esq.  
Ropers, Majeski, Kohn & Bentley  
1001 Marshall Street, Suite 500  
Redwood City, CA 94063  
Fax No.: (650) 780-1701

13. Attorneys' Fees. If either party commences an action against the other or a dispute arises under this Agreement, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees and costs. For purposes of this Agreement, the reasonable fees of attorneys of the Office of the City Attorney of the City and County of San Francisco shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law for which the City Attorney's services were rendered who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the City Attorney's Office.

14. General Provisions. (a) This Agreement may be amended or modified only by a writing signed by City and Owner. (b) No waiver by any party of any of the provisions of this Agreement shall be effective unless in writing and signed by an officer or other authorized representative, and only to the extent expressly provided in such written waiver. (c) All approvals and determinations of City requested, required or contemplated hereunder may be made by the City's Director of Property and Director of Public Works, or their respective designees. All approvals and determinations of Owner requested, required or contemplated hereunder may be made by Neveo Mosser. (d) This Agreement (including the exhibits hereto) contains the entire agreement between the parties with respect to the Project, the proposed donation of the Property and the requested vacation of the Street Sections, and all prior written or oral negotiations, discussions, understandings and agreements are merged herein. (e) The section and other headings of this Agreement are for convenience of reference only and shall be disregarded in the interpretation of this Agreement. (f) Time is of the essence. (g) This Agreement shall be governed by California law and City's Charter. (h) If Owner consists of more than one party, then the obligations of each party shall be joint and several. (i) This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, representatives, successors and assigns. (j) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors, heirs, administrators, executors and assigns. Any reference in this Agreement to "City" or "Owner", respectively, shall be deemed to include and apply to any successor, heir, administrator, executor or assign of such party. (k) This Agreement does not create a partnership or joint venture between Owner and City as to any activity conducted by City on, in or relating to the Property. (l) This Agreement shall become effective only when duly signed and delivered by the parties. (m) This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

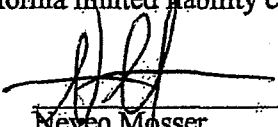
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IN WITNESS WHEREOF, the parties have executed this Agreement as of the Agreement Date.

**OWNER:**

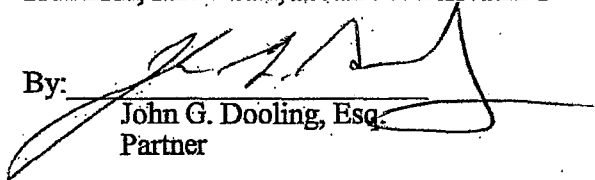
260V Lombard Street LLC, a  
California limited liability company

By:   
Neveo Mosser  
Manager

Date: 8.22-14

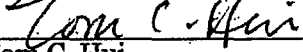
APPROVED AS TO FORM:

ROPERS, MAJESKI, KOHN & BENTLEY

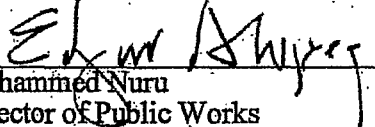
By:   
John G. Dooling, Esq.  
Partner

**CITY:**

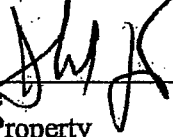
CITY AND COUNTY OF SAN FRANCISCO,  
a municipal corporation.

By:   
Tom C. Hui  
Director of Department of Building Inspection

Date: August 19, 2014

By:   
Mohammed Nuru  
Director of Public Works

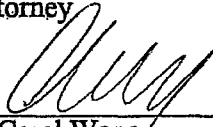
Date: August 14, 2014

By:   
John Updike  
Director of Property

Date: 8/15/14

APPROVED AS TO FORM:

DENNIS J. HERRERA,  
City Attorney

By:   
Carol Wong  
Deputy City Attorney

**EXHIBIT A**

**Legal Description of Property**

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Beginning at the point of intersection of the Northerly line of Lombard Street and the Westerly line of Winthrop Street; running thence Northerly along said line of Winthrop Street, 90 feet 5 ½ inches; thence at a right angle Westerly, 40 feet, 7 inches; thence at a right angle Southerly, 90 feet, 5 ½ inches, to the Northerly line of Lombard Street; thence at a right angle Easterly along said line of Lombard Street, 40 feet, 7 inches, to the point of beginning.  
Being a portion of Vara Block No. 59.

Assessor's Lot 005; Block 0060

**EXHIBIT B**

**Order**

[see attached]

City and County of San Francisco  
Department of Building Inspection



Edwin M. Lee, Mayor  
Tom C. Hui, S.E., C.B.O., Director

**ORDER OF ABATEMENT**

January 14, 2014

Owner:  
280V LOMBARD STREET LLC  
308 JESSIE ST.  
SAN FRANCISCO CA 94103

Property Address: 260 LOMBARD ST,

Block: 0060 Lot: 005 Seq: 00  
Tract: Case: BWO  
Complaint: 291324192

Inspector: Li

ORDER OF ABATEMENT UNDER SAN FRANCISCO BUILDING CODE SECTION 102A.6 & 102A.7 ORDER NO. 106128-A HEARING OF THE COMPLAINT OF THE DIRECTOR OF THE DEPARTMENT OF BUILDING INSPECTION AGAINST THE PROPERTY AT THE LOCATION SHOWN ABOVE WAS HELD ON January 14, 2014 IN ACCORDANCE WITH THE SAN FRANCISCO BUILDING CODE SECTION 102A.5. THE HEARING WAS CONDUCTED BY A REPRESENTATIVE OF THE DIRECTOR. THE OWNER WAS NOT REPRESENTED.

BASED UPON THE FACTS AS SUBMITTED AT THE HEARING, THE DIRECTOR FINDS AND DETERMINES AS FOLLOWS:

1. THAT NOTICE HAS BEEN DULY GIVEN AS REQUIRED BY LAW AND THE ORDER OF THE DIRECTOR, AND MORE THAN 10 DAYS PRIOR TO THE HEARING.
2. THAT THE CONDITIONS ARE AS STATED IN THE COMPLAINT OF THE DIRECTOR OF THE DEPARTMENT OF BUILDING INSPECTION.
3. THAT THE CONDITIONS OF SAID STRUCTURE CONSTITUTES A PUBLIC NUISANCE UNDER THE TERMS OF THE BUILDING CODE OF THE CITY AND COUNTY OF SAN FRANCISCO.

THE DIRECTOR HEREBY ORDERS THE OWNER OF SAID BUILDING TO COMPLY WITH THE FOLLOWING:

- (1) 15 DAYS TO OBTAIN AN EVALUATION AND PROPOSAL FOR PERMANENT REPAIR OF HILLSIDE BY A LICENSED GEOTECHNICAL ENGINEER.
- (2) 30 DAYS TO FILE A BUILDING PERMIT APPLICATION TO COMPLY WITH THE GEOTECHNICAL PROPOSAL.
- (3) COMPLY WITH PLAN REVIEW COMMENTS AND TIME LIMITS.
- (4) 10 DAYS TO PICK UP PERMIT WHEN APPROVED.
- (5) 60 DAYS TO OBTAIN FINAL INSPECTION APPROVAL.

THE TIME PERIOD SHALL COMMENCE FROM THE DATE OF THIS ORDER. THE DEPARTMENT OF BUILDING INSPECTION SHALL BE REIMBURSED BY THE OWNER OF SAID BUILDING FOR ABATEMENT COSTS PURSUANT TO THE ATTACHED AND FUTURE NOTICES.

**APPEAL:** PURSUANT TO SECTION 105A.3 OF THE SAN FRANCISCO BUILDING CODE, ORDERS PERTAINING TO DISABLED ACCESS MAY BE APPEALED TO THE ACCESS APPEALS COMMISSION, PURSUANT TO SECTION 105A.3 OF THE SAN FRANCISCO BUILDING CODE, ORDERS PERTAINING TO WORK WITHOUT PERMIT MAY BE APPEALED TO THE ABATEMENT APPEALS BOARD. APPEALS MUST BE IN WRITING ON FORMS OBTAINED FROM THE APPROPRIATE APPEALS BODY AT 1660 MISSION ST., SAN FRANCISCO, CA 94103, Tel: (558-6454), AND MUST BE FILED WITH THE SECRETARY OF THE APPEALS BODY WITHIN FIFTEEN (15) DAYS OF THE POSTING AND SERVICE OF THIS ORDER.

RECOMMENDED BY:

Patrick O'Riordan  
Chief Building Inspector  
Phone No. (415) 558-8570  
Fax No. (415) 558-8281

APPROVED BY:

Tom C. Hui, S.E., C.B.O., Director  
Department of Building Inspection  
Fax No. (415) 558-8474

Code Enforcement Section  
1660 Mission Street - San Francisco CA 94103

City and County of San Francisco  
Department of Building Inspection



Edwin M. Lee, Mayor  
Tom C. Hui, S.E., C.B.O., Director

January 15, 2014

Property Address: 268 Lombard Street

Block: 0660 Lot: 005-Seq. 00

Complaint No.: 201324192

Director's Order No.: 10612A-A

260V Lombard Street LLC  
308 Jessie Street  
San Francisco, CA 94103

**INITIAL BILL - Assessment of Costs**  
Code Enforcement Section

Dear Property Owner(s):

Our records show that all required work was not completed PRIOR TO THE DIRECTOR'S HEARING AND RECORDATION OF THE ORDER OF ABATEMENT ON THE TITLE OF THIS PROPERTY. THIS RESULTED IN THE ACCRUAL OF AN ASSESSMENT OF COSTS pursuant to Sections 102A.3 & 102A.17 of the San Francisco Building Code. These code sections require that this Department's cost of preparation for and appearance at the hearing, and all prior and subsequent attendant costs "shall be assessed upon the property owner."

The Assessment of Cost AMOUNT accrued to date NOW DUE AND PAYABLE is: **\$1,083.00**

Payment must be by Cashier's Check or money order & must be accompanied by this original letter.

Make all checks payable to: The Department of Building Inspection.  
Mailed payments can be sent to:

Assessment of Costs Payment  
Department of Building Inspection  
Code Enforcement Section  
1660 Mission Street, 6th Floor  
San Francisco, CA 94103

**TO AVOID HAVING A LIEN RECORDED UPON YOUR PROPERTY AND LEVIED ON YOUR NEXT PROPERTY TAX BILL**, it is necessary for you to render payment immediately.

Note: The Order of Abatement cannot be removed from the title nor can the complaint against this property be abated until appropriate permits are issued, inspections are performed to verify correction of violations, final inspection approvals are granted and further accrued Assessments of Costs are paid.

All violations must be abated **AS SOON AS POSSIBLE TO AVOID OR MINIMIZE ADDITIONAL COSTS & PENALTIES**. All additional time accrued from this billing to the final abatement of your case will be sent to you in a separate and final assessment of costs bill.

Contact the Code Enforcement Division at (415) 558-6454 should you have any questions concerning this matter. Your prompt cooperation on this matter is appreciated.

PO:JH:spb

cc: CES File

Very truly yours,

Handwritten signature of Patrick O'Riordan in black ink.

Patrick O'Riordan  
Chief Building Inspector

Code Enforcement Section  
1660 Mission Street - San Francisco CA 94103  
Office (415) 558-6454 - FAX (415) 558-6226 - www.sfdbl.org

**EXHIBIT C**

**Form of License Agreement**

[see attached]

## LICENSE AGREEMENT

THIS LICENSE AGREEMENT (this "License"), dated for reference purposes only as of August 13, 2014, is made by and between 260V Lombard Street LLC, a California limited liability company ("Owner"), and the City and County of San Francisco, a municipal corporation ("City").

### RECITALS

- A. Owner owns the real property commonly known as 260 Lombard Street, in San Francisco, California, and more particularly described in the attached Exhibit A (the "Property").
- B. Owner and City wish to mitigate certain conditions at the Property, and City has agreed to perform mitigation work at the Property pursuant to an Agreement for Mitigation Work between Owner and City and dated as of August 13, 2014 (the "Agreement").
- C. City needs to access the Property to perform such mitigation work, and Owner agrees to provide such access on the terms and conditions set forth below.

### AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for such other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Owner and City hereby agree as follows:

- License.** Owner hereby grants City a temporary, non-exclusive and non-possessory right for City and its employees, contractors, subcontractors, representatives, agents or consultants (collectively, "City's Agents") to enter upon and use the Property for the limited purposes, and subject to the terms, conditions and restrictions, set forth below. This License gives City a license only and does not constitute the grant of any ownership, leasehold, easement or other property interest or estate in all or any portion of the Property.
- Term.** This term of this License (the "Term") shall commence on the date it is fully executed and shall expire on the first anniversary thereof (the "Expiration Date"); provided, however, that if the Work (as defined in Section 3) is not completed by the Expiration Date, this License shall continue on a month to month basis after the Expiration Date until the earlier date to occur of the completion of the Work or the thirtieth (30<sup>th</sup>) day following the date that either party delivers written notice of termination of this License to the other party.
- Permitted Uses of the Property.** City and City's Agents shall have the right to enter the Property for the purpose of performing, at City's sole cost and expense, the activities shown and/or described in that certain Rock Slope Improvement Plan prepared for the Property by Cotton, Shires & Associates, Inc. and dated May 6, 2014 (the "Plans"), as may be modified, and City's rights or obligations under this License (collectively, the "Work"). The Plans provide for certain improvements to be installed and left at the Property (collectively, the "Improvements"). Owner acknowledges that if the Improvements are installed in substantial compliance with the Plans, City shall have the right to leave the Improvements at the Property, and on installation, the Improvements shall be deemed part of the Property and City shall have no remaining interest or obligations thereto.
- General Conditions for Performance of the Work.**
  - Permits and Approvals.** City shall obtain, at its sole cost and expense, all applicable permits, licenses and approvals (collectively, "Approvals") of any regulatory agencies (including City acting in its regulatory capacity) required for the performance of the Work by or for City. Owner shall cooperate in good faith with City to submit any necessary

consents or other documents reasonably required to enable City or City's Agents to apply for and obtain such Approvals.

(b) Exercise of Due Care; No Liens. City shall use, and shall cause City's Agents to perform, all Work in a good and workmanlike manner, and shall remove any debris dropped on or from the Property in the performance of any of the Work. City shall keep the Property free and clear of any liens or claims of lien arising out of or in any way connected with its use of the Property pursuant to this License. In the event any such liens are recorded, removal thereof shall be the sole cost and responsibility of City with no cost to Owner.

(c) Contractor. City shall retain a California-licensed contractor with experience in performing work similar to the Work as the general contractor for the performance of the Work (the "Contractor"), and shall notify Owner when City enters into a contract with Contractor for the Work. City shall provide Owner with Contractor's proposed schedule for the performance of the Work, and require that Contractor provide Owner with no less than ten (10) days' prior written notice of the commencement of the Work on the Property.

(d) Compliance with Laws. City shall cause, at its expense, the Work to be conducted in a safe and prudent manner and in compliance with all laws, regulations, codes, ordinances and orders of any governmental or other regulatory entity, whether presently in effect or subsequently adopted and whether or not in the contemplation of the parties.

5. Project Contacts. City has designated Rinaldi Wibowo (the "Project Manager"), as the individual for Owner to contact if any problems with respect to the Property arise while City is conducting the Work. Prior to commencement of any of the Work, City shall provide Owner with the telephone numbers of the Construction Manager. City may change the designation and telephone numbers of the Construction Manager by delivering written notice of such change to Owner. Owner has designated Neveo Mosser (the "Property Manager") as the individual for City to contact if any problems with respect to the Property arise while City is conducting the Work. Prior to commencement of any of the Work, Owner shall provide City with the telephone numbers of the Property Manager. Owner may change the designation and telephone numbers of the Property Manager by delivering written notice of such change to City.

6. Insurance. City shall cause the Contractor to procure and keep in effect at all times during the performance of the Work on the Property, at no expense to Owner, the insurance described on the attached Exhibit B. City shall cause the Contractor to name Owner as additional insured under the general liability and automobile liability insurance in the manner set forth in Exhibit B.

7. City's Right to Terminate Work. City shall have no obligation to commence or complete any of the Work if Owner fails to provide City with access to the Property on the terms of this License or fails to timely cure any default by Owner under the Agreement. Without limiting the foregoing, City reserves the right, at its sole option, to withdraw from the Work at any time prior to completion if City determines, in its sole and absolute discretion, that it is inappropriate or impractical to complete the Work for any reason whatsoever, including, by way of example only and without limitation, economic unfeasibility, unavailability of funds, impracticality or difficulty of site conditions, or City's re-evaluation of the need for the Work.

8. Surrender. Within thirty (30) days after completion of the Work or the earlier termination of this License, City shall surrender the Property with the Improvements, clear of all debris generated through the performance of the Work or by the entry on the Property by City or City's Agents pursuant to this License. At such time, City shall, at its sole cost, remove all of its property from the Property and repair any damage to the Property caused by such removal. City's obligations under this Section shall survive any termination of this License.

9. Condition of Property. Owner has provided City with all information in its possession regarding the environmental condition of the Property, the condition of the Property soils, and



the location of underground utilities and underground storage tanks that may be in or under the portions of the Property affected by the Work. Owner has no actual knowledge of the presence of any Hazardous Material (defined as follows) in the soil or groundwater beneath the Property.

"**Hazardous Material**" means material that, because of its quantity, concentration or physical or chemical characteristics, is at any time now or hereafter deemed by any federal, state or local governmental authority to pose a present or potential hazard to public health, welfare or the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance, pollutant or contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sections 9601 *et seq.*, or pursuant to Section 25316 of the California Health & Safety Code; a "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the Property or are naturally occurring substances in the Property, and any petroleum, including, without limitation, crude oil or any fraction thereof, natural gas or natural gas liquids. The term "release" or "threatened release" when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing in, on, under or about the Property.

City accepts the Property in its "AS IS" condition, without representation or warranty of any kind by Owner other than any made in this License, and subject to all applicable laws, rules and ordinances governing the use of the Property, and to any and all covenants, conditions, restrictions, easements, encumbrances, claims of title and other title matters affecting the Property, whether foreseen or unforeseen, and whether such matters are of record or would be disclosed by an accurate inspection or survey. Notwithstanding anything to the contrary in the foregoing, City shall have no obligation to remediate any Hazardous Materials existing on the Property prior to the commencement of the Work; provided, however, that City shall remediate any such pre-existing Hazardous Material to the extent it was negligently released through the performance of the Work.

10. Indemnity.

(a) City shall indemnify, defend and hold harmless Owner and its employees, representatives, and agents, and their successors and assigns (collectively, the "**Indemnified Parties**" and individually, an "**Indemnified Party**"), from and against any and all claims, demands, losses, damages, liens, causes of action, legal actions, judgments, awards, liabilities, costs and expenses, including, without limitation, reasonable attorneys' fees, (collectively, "**Losses**") caused by (1) personal injury or death caused by the performance of the Work, (2) City's default in its material obligations hereunder, or (3) any release of Hazardous Materials in or on the Property as a result of the actions of City or City's Agents on the Property pursuant to this License. Notwithstanding anything to the contrary in the foregoing, City's obligations hereunder shall not include any Loss to the extent it results from (i) the willful misconduct or negligence of any Indemnified Party, (ii) the discovery of any pre-existing Hazardous Material or the discovery of any deficient condition affecting the Property, or (iii) the non-negligent release of any pre-existing Hazardous Material existing on the Property discovered by City through the performance of the Work; provided, however, that once City learns of such pre-existing Hazardous Material, City shall modify its performance of the Work to prevent any further release thereof.

(b) In addition to the indemnity that is described in the foregoing subsection, the City will require the Contractor to provide an indemnity to Owner that meets the terms that are set forth in the attached Exhibit C.

(c) In all cases, regardless of whether the Owner is proceeding under the foregoing subsection (a) or subsection (b), Owner must give notice of any claim for Losses it may have against City under this indemnity within one hundred eighty (180) days after learning of the Loss. In all cases, regardless of whether the Owner is proceeding under the foregoing

subsections (a) or (b), the City's obligations under this Section shall terminate on the first anniversary of the date that this License expires or terminates. Owner agrees and acknowledges that in the event of a conflict between the provisions of the foregoing subsections (a) or (b), the provisions of the foregoing subsection (a) will control.

11. Ownership; Transfer by Owner. Owner represents and warrants to City that it is the sole owner in fee of the Property, that no other person or entity has any ownership or possessory interest in the Property, that Owner has full right and authority to grant the license contained in this License to City without the consent of any other person or entity, and that the person signing on behalf of Owner has the authority to bind Owner to this License. If Owner's title to or possession of all or any portion of the Property is sold, conveyed or otherwise transferred for any reason before the termination of this License, Owner shall assign its rights and obligations under this License to the new owner (who shall assume Owner's obligations hereunder) and shall immediately notify City in writing of such assignment and assumption and the name and address of the new owner.

12. MacBride Principles - Northern Ireland. The City and County of San Francisco urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1, *et seq.* The City and County of San Francisco also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Owner acknowledges that it has read and understands the above statement of the City and County of San Francisco concerning doing business in Northern Ireland.

13. Tropical Hardwoods and Virgin Redwoods. The City and County of San Francisco urges companies not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, virgin redwood wood product.

14. Notification of Limitations on Contributions. Through its execution of this License, Owner acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the selling or leasing any land or building to or from the City whenever such transaction would require approval by a City elective officer or the board on which that City elective officer serves, from making any campaign contribution to the officer at any time from the commencement of negotiations for such contract until the termination of negotiations for such contract or six (6) months has elapsed from the date the contract is approved by the City elective officer, or the board on which that City elective officer serves.

15. Notices. Except as otherwise expressly provided herein, any notices given under this License shall be effective only if in writing and shall be deemed duly given: (i) when delivered if personally delivered to the recipient; (ii) when transmitted by facsimile device during normal business hours, provided such device generating a written confirmation of such transmission and receipt and the original notice is deposited in first class mail within the first business day immediately following such transmission by facsimile; (iii) on the first business day following delivery to an overnight delivery service, provided delivery is confirmed by the delivery service; and (iv) on the earlier of actual receipt or three (3) days following deposit in United States registered or certified mail, postage prepaid and return receipt requested, addressed to the parties as set forth below. Any party may change its address for notices by giving written notice to the other parties in the manner set forth below.

If to City:

Real Estate Division  
25 Van Ness Avenue, Suite 400  
San Francisco, CA 94102  
Attn: Director of Property  
Fax No.: (415) 552-9216

and: Department of Public Works  
1 Dr. Carlton B. Goodlett Place  
City Hall Room 348  
San Francisco, CA 94102  
Attn: Director of Public Works  
Fax No.: (415) 544-6944

If to Owner: Mr. Neveo Mosser  
The Mosser Companies  
308 Jessie Street  
San Francisco, CA 94103  
Fax No.: (415) 284-9020

with a copy to: John G. Dooling, Esq.  
Ropers, Majeski, Kohn & Bentley  
1001 Marshall Street, Suite 500  
Redwood City, CA 94063  
Fax No.: (650) 780-1701

16. Attorneys' Fees. If either party commences an action against the other or a dispute arises under this License, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees and costs. For purposes of this License, the reasonable fees of attorneys of the Office of the City Attorney of the City and County of San Francisco shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law for which the City Attorney's services were rendered who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the City Attorney's Office.

17. General Provisions. (a) This License may be amended or modified only by a writing signed by City and Owner. (b) No waiver by any party of any of the provisions of this License shall be effective unless in writing and signed by an officer or other authorized representative, and only to the extent expressly provided in such written waiver. (c) All approvals and determinations of City requested, required or contemplated hereunder may be made by the City's Director of Property and Director of Public Works, or their respective designees. All approvals and determinations of Owner requested, required or contemplated hereunder may be made by Neveo Mosser. (d) This instrument (including the exhibits hereto) contains the entire agreement between the parties with respect to the Work and all prior written or oral negotiations, discussions, understandings and agreements are merged herein. (e) The section and other headings of this License are for convenience of reference only and shall be disregarded in the interpretation of this License. (f) Time is of the essence. (g) This License shall be governed by California law and City's Charter. (h) If Owner consists of more than one party, then the obligations of each party shall be joint and several. (i) This License shall be binding upon and inure to the benefit of the parties and their respective heirs, representatives, successors and assigns. (j) This License shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors, heirs, administrators, executors and assigns. Any reference in this License to "City" or "Owner", respectively, shall be deemed to include and apply to any successor, heir, administrator, executor or assign of such party. (k) This License does not create a partnership or joint venture between Owner and City as to any activity conducted by City on, in or relating to the Property. (l) Nothing in this License shall be deemed a gift or dedication of any portion of the Property to the general public or for the general public, it being the intention of the parties that the license granted hereunder and any other rights granted hereby shall be limited to and for the purposes specified herein. (m) This License shall become effective only when duly signed and delivered by the parties. (n) This License may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this License as of the date first set forth above.

**OWNER:**

260V Lombard Street LLC, a  
California limited liability company

By: \_\_\_\_\_

Neveo Mosser, Manager

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

**CITY:**

CITY AND COUNTY OF SAN FRANCISCO,  
a municipal corporation

By: \_\_\_\_\_

John Updike, Director of Property

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

**RECOMMENDED:**

\_\_\_\_\_  
Mohammed Nuru, Director of Public Works

**APPROVED AS TO FORM:**

DENNIS J. HERRERA,  
City Attorney

By: \_\_\_\_\_

Carol Wong  
Deputy City Attorney

EXHIBIT A

Legal Description of Property

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Beginning at the point of intersection of the Northerly line of Lombard Street and the Westerly line of Winthrop Street; running thence Northerly along said line of Winthrop Street, 90 feet 5 ½ inches; thence at a right angle Westerly, 40 feet, 7 inches; thence at a right angle Southerly, 90 feet, 5 ½ inches, to the Northerly line of Lombard Street; thence at a right angle Easterly along said line of Lombard Street, 40 feet, 7 inches, to the point of beginning.  
Being a portion of Vara Block No. 59.

Assessor's Lot 005; Block 0060

## EXHIBIT B

### Contractor Insurance Requirements

A. Contractor shall maintain in full force and effect, for the period covered by the contract between City and Contractor for any of the Work (the "Contract"), the following liability insurance with the following minimum specified coverages or coverages as required by laws and regulations, whichever is greater:

1. Worker's Compensation in statutory amount, including Employers' Liability coverage with limits not less than \$1,000,000.00 each accident, injury, or illness.

2. Commercial General Liability insurance with limits not less than \$10,000,000.00 each occurrence, and \$20,000,000 general aggregate, combined single limit for bodily injury and property damage, including coverage for Contractual Liability, independent contractors, Explosion, Collapse, and Underground (XCU), Personal Injury, Broadform Property Damage, and completed operations.

3. Commercial Automobile Liability insurance with limits not less than \$1,000,000.00 each occurrence combined single limit for bodily injury and property damage, including owned, hired or non-owned vehicles, as applicable.

B. In the event that Contractor employs professional engineering or land surveyor services for performing field engineering or preparing design calculations, plans and specifications for the Work, Contractor shall require the retained engineers and land surveyors to carry professional liability insurance with limits not less than \$5,000,000 each claim with respect to negligent acts, errors, or omissions in connection with professional services to be provided for the Work.

C. For general liability and automobile liability insurance, Contractor shall include as additional insured, the City, its board members and commissions, all authorized agents and representatives, and members, directors, officers, trustees, agents and employees of any of them, and 260V Lombard Street, LLC.

D. Before commencement of any work under the Contract, certificates of insurance and policy endorsements in form and with insurers acceptable to the City, evidencing all required insurance and with proper endorsements from Contractor's insurance carrier identifying the required additional insureds shall be furnished to the City, with complete copies of policies to be furnished to the City promptly upon request.

E. The Contractor and its subcontractors shall comply with the provisions of California Labor Code section 3700. Prior to commencing the performance of work, the Contractor and all of its subcontractors shall submit to the awarding department a certificate of insurance against liability for workers compensation or proof of self-insurance in accordance with the provisions of the California Labor Code.

F. Liability insurance shall be on an occurrence basis, and said insurance shall provide that the coverage afforded thereby shall be primary coverage (and non-contributory to any other existing valid and collectable insurance) to the full limit of liability stated in the declaration, and such insurance shall apply separately to each insured against whom claim is made or suit is brought, but the inclusion of more than one insured shall not operate to increase the insurer's limits of liability.

G. Should any of the required insurance be provided under a form of coverage that includes an annual general aggregate limit or provides that claims investigation or legal defense costs be included in such annual general aggregate limit, such general annual aggregate limit shall be two

times the occurrence limits stipulated. City reserves the right to increase any insurance requirement as needed and as appropriate.

H. Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of the Contract, and without lapse, for a period 4 years beyond the Contract final completion date, to the effect that, should occurrences during the Contract term give rise to claims made after expiration of the Contract, such claims shall be covered by such claims-made policies.

I. Each such policy shall be endorsed to provide 30 days advance written notice to the City of reduction or non-renewal of coverages or cancellation of coverages for any reason. All notices shall be made to:

Manager, Contract Administration Division  
City and County of San Francisco  
1155 Market Street, 4th Floor  
San Francisco, CA 94103

J. Insurance companies shall be legally authorized to engage in the business of furnishing insurance in the State of California. All insurance companies shall have a current A.M. Best Rating not less than "A-,VIII" and shall be satisfactory to the City.

**EXHIBIT C**

**Required Contractor Indemnification Language**

- A. Consistent with California Civil Code section 2782, Contractor shall assume the defense of, indemnify and hold harmless 260V Lombard, LLC from all claims, suits, actions, losses and liability of every kind, nature and description, including but not limited to attorney's fees, directly or indirectly arising out of, connected with or resulting from Contractor's performance of the Work. This indemnification shall not be valid in the instance where the loss is caused by the sole negligence or intentional tort of such indemnified party.
- B. On request, Contractor shall defend any action, claim or suit asserting a claim covered by this indemnity. Contractor shall pay all costs that may be incurred by 260V Lombard LLC in enforcing its indemnity against Contractor, including reasonable attorney's fees.
- C. Contractor's liability shall not be limited to the amount of insurance coverages required under the Contract.



**EXHIBIT D**

**Certificate of Funds**

[see attached]



**CITY AND COUNTY OF SAN FRANCISCO**  
**OFFICE OF THE CONTROLLER**

**Ben Rosenfield**  
**Controller**

**Monique Zmuda**  
**Deputy Controller**

August 11, 2014

Mohammed Nuru, Director  
San Francisco Department of Public Works  
1 Dr. Carlton B. Goodlett Place, Room 348  
San Francisco, CA 94102

Attention: Julia Dawson, Deputy Director of Finance and Administration

RE: Telegraph Hill Stabilization Funding

The San Francisco Building Code - Use of Repair and Demolition Fund for Telegraph Hill Stabilization Ordinance (the Ordinance) File Number 140627 authorizes the City of San Francisco to implement the Telegraph Hill Rock Slope Improvement Project. This ordinance specifies that the project cost to address the privately owned portions of the affected properties is approximately \$1.8 million.

This letter certifies that these funds are available to be used for the purpose stated, in the Repairs and Demolition Project (Project PBIRDM) within the Department of Building Inspection's annual appropriations. Per the Ordinance, the work shall be implemented by the Department of Public Works. Additionally, \$2.0 million is budgeted with the Department of Public Works for work on Telegraph Hill. In sum, a total of \$3.8 million has been appropriated for Telegraph Hill stabilization work.

Please contact Risa Sandler at 415-554-6626 if you have any questions regarding this certification.

Sincerely,

  
Ben Rosenfield  
Controller

**EXHIBIT E**

**Form of Order Extension and DBI Letter**

**REVISION TO ORDER OF ABATEMENT  
NO. 106128-A ISSUED ON JANUARY 14, 2014**

\_\_\_\_\_, 2014

**Owner:**  
260V LOMBARD STREET LLC  
308 JESSIE STREET  
SAN FRANCISCO, CA 94103

**Property Address: 260 Lombard**

Block: 0060 Lot: 005  
Tract: Case: BWO  
Complaint: 201324192

**Inspector: Li**

**HEARING OF THE COMPLAINT OF THE DIRECTOR OF THE DEPARTMENT OF BUILDING INSPECTION AGAINST THE PROPERTY AT THE LOCATION SHOWN ABOVE WAS HELD ON JANUARY 14, 2014 IN ACCORDANCE WITH SAN FRANCISCO BUILDING CODE SECTION 102A.5. THE HEARING WAS CONDUCTED BY A REPRESENTATIVE OF THE DIRECTOR. THE OWNER WAS NOT REPRESENTED.**

Based upon the facts submitted at the hearing, the Director found and determined that the conditions on the above property constituted a public nuisance under the San Francisco Building Code, and ordered the property owner ("Owner") to comply with the following timeline commencing from the date of the Order: (1) 15 days to obtain an evaluation and proposal for permanent repair of hillside by a licensed geotechnical engineer, (2) 30 days to file a building permit application to comply with the geotechnical proposal, (3) comply with plan review comments and time limits, (4) 10 days to pick up permit when approved, (5) 60 days to obtain final inspection approval. The Owner was further ordered to pay the Assessment of Costs attached to the Order and any future notices. This Order of Abatement was recorded in the Office of the San Francisco Assessor-Recorder on June 20, 2014.

The Owner has executed a Mitigation Work Agreement with the City and County of San Francisco dated \_\_\_\_\_, 2014 ("Agreement"), in which the Owner agrees to, among other things, do the following: (1) pay for and cause to be delivered to the City plans for repair of the hillside that were prepared by Cotton, Shires & Associates at the Owner's request in response to the Order, (2) authorize the Department of Public Works ("DPW") to apply to DBI and the Planning Department for the building permit and environmental review necessary to do hillside repair work at the above property, and (3) deliver to DPW the fees required to pay for the building permit and environmental review and the Assessment of Costs dated January 15, 2014, that was attached to the Order within five business days of having received the City's notice of the amount of such fees. If Owner timely performs its obligations under the Agreement, DPW agrees to perform the needed hill stabilization work at the above property, using a California-licensed contractor with prior experience performing similar work.

**THE JANUARY 14, 2014 ORDER OF ABATEMENT IS HEREBY REVISED AS FOLLOWS:** As long as the Owner complies with the Owner's commitments under the Agreement, and fully cooperates with the City and County of San Francisco in allowing the City to perform the hillside repair work described in the Agreement, the Director shall consider the Owner in compliance with the Order. As required by Section 102A.3 of the San Francisco Building Code, the recorded Order will be revoked upon the completion of the required work and payment of the Assessment of Costs dated January 15, 2014.

[Neveo Mosser]

Re: 260 Lombard Street  
Block: 0060; Lot 005  
Complaint: 201324192

Dear Mr. Mosser:

On January 14, 2014, the San Francisco Department of Building Inspection ("DBI") issued an Order of Abatement concerning the above-referenced complaint, which was recorded in the Office of the San Francisco Assessor-Recorder on June 20, 2014. The 2014 Order required you, as the owner of the property, to (1) obtain within 15 days an evaluation and proposal by a geotechnical engineer for permanent repair of portions of the hillside, (2) file an application for a building permit to comply with the geotechnical proposal within 30 days, (3) comply with plan review comments and time limits, (4) pick up the permit within 10 days of the approval, and (5) obtain final inspection approval of the work within 60 days.

You have executed a Mitigation Work Agreement with the City and County of San Francisco dated \_\_\_\_\_ ("Agreement"), in which you agree, among other things, to do the following: (1) pay for and cause to be delivered to the City plans for repair of the hillside that were prepared by Cotton, Shires & Associates at your request in response to the Order ("Plans"), (2) authorize the Department of Public Works ("DPW") to apply to DBI and the Planning Department for the building permit and environmental review necessary to do the hillside repair work detailed in the Plans, and (3) deliver to DPW the fees required to pay for the building permit and environmental review and the Assessment of Costs dated January 15, 2014 that was attached to the Order within five business days of having received the City's notice of the amount of such fees. In the Agreement, the City agrees to perform the work proposed in the Plans and to retain a California-licensed contractor with prior experience performing work similar to that proposed in the Plans.

This letter advises you that as long as you comply with your commitments under the Agreement, and fully cooperate with the City in allowing it to perform the hillside repair work described in the Agreement, the Department of Building Inspection will take no further enforcement action on the Order, and will revoke the recorded Order upon the completion of the required work and payment of the Assessment of Costs dated January 15, 2014 as required by Section 102A.3 of the San Francisco Building Code.

Very truly yours,

Tom C. Hui  
Director

**EXHIBIT F**

**Form of Deed and Certificate of Acceptance**

**RECORDING REQUESTED BY,  
AND WHEN RECORDED RETURN TO:**

Real Estate Division  
City and County of San Francisco  
25 Van Ness Avenue, Suite 400  
San Francisco, CA 94102  
Attn: Director of Property

The undersigned hereby declares this instrument  
to be exempt from Recording Fees (CA Govt. Code § 27383)  
and Documentary Transfer Tax (CA Rev. & Tax Code § 11922  
and S.F. Bus. & Tax Reg. Code § 1105)

(Space above this line reserved for Recorder's use only)

**QUITCLAIM DEED  
(APN 0060-005)**

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, 260V LOMBARD STREET LLC, a California limited liability company ("Grantor"), hereby releases, remises and quitclaims to the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, the real property located in the City and County of San Francisco, State of California, described on Exhibit A attached hereto and made a part hereof (the "Property"), together with any and all rights, privileges and easements incidental or appurtenant to the Property, including, without limitation, any and all minerals, oil, gas and other hydrocarbon substances on and under the Property, as well as any and all development rights, air rights, water, water rights, riparian rights and water stock relating to the Property, and any and all easements, rights-of-way or other appurtenances used in connection with the beneficial use and enjoyment of the land and all of Grantor's right, title and interest in and to any and all roads and alleys adjoining or servicing the Property.

Executed as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

260V LOMBARD STREET LLC,  
a California limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

State of California )  
County of San Francisco ) ss

On \_\_\_\_\_, before me, \_\_\_\_\_, a notary public in and for said State, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. I certify under Penalty of Perjury under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

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

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the foregoing Grant Deed to the City and County of San Francisco, a municipal corporation, is hereby accepted pursuant to Board of Supervisors' Resolution No. \_\_\_\_\_, approved \_\_\_\_\_, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: \_\_\_\_\_

CITY AND COUNTY OF SAN FRANCISCO,  
a municipal corporation

By:

\_\_\_\_\_  
John Updike  
Director of Property

EXHIBIT A

Legal Description of the Property



File No. 140627

Committee Item No. 14

Board Item No. \_\_\_\_\_

### COMMITTEE/BOARD OF SUPERVISORS

#### AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date June 19, 2014

June 20, 2014

Board of Supervisors Meeting

Date \_\_\_\_\_

#### Cmte Board

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| <input type="checkbox"/>            | <input type="checkbox"/> | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/> | Youth Commission Report                      |
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| <input type="checkbox"/>            | <input type="checkbox"/> | Public Correspondence                        |

#### OTHER (Use back side if additional space is needed)

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Completed by: Linda Wong Date June 13, 2014

Completed by: \_\_\_\_\_ Date \_\_\_\_\_

1 [Building Code - Use of Repair and Demolition Fund for Telegraph Hill Stabilization]

2  
3 Ordinance amending the Building Code to authorize use of the Repair and Demolition  
4 Fund specified in Building Code, Section 102A.13, to address costs associated with  
5 private property owner responsibility to stabilize Telegraph Hill, as part of the Rock  
6 Slope Improvement Project, and affirming the Planning Department's determination  
7 under the California Environmental Quality Act.

8 NOTE: Unchanged Code text and uncodified text are in plain Arial font.  
9 Additions to Codes are in *single-underline italics Times New Roman font*.  
10 Deletions to Codes are in ~~*strikethrough italics Times New Roman font*~~.  
11 Board amendment additions are in double-underlined Arial font.  
12 Board amendment deletions are in ~~strikethrough Arial font~~.  
13 Asterisks (\* \* \* \*) indicate the omission of unchanged Code  
14 subsections or parts of tables.

15 Be it ordained by the People of the City and County of San Francisco:

16 Section 1. Findings. (a) The Planning Department has determined that the actions  
17 contemplated in this ordinance comply with the California Environmental Quality Act  
18 (California Public Resources Code Sections 21000 et seq.). The Board of Supervisors hereby  
19 affirms this determination. Said determination is on file with the Clerk of the Board of  
20 Supervisors in File No. 140627 and is incorporated herein by reference.

21 (b) On \_\_\_\_\_, 2014, the Building Inspection Commission held a duly noticed  
22 hearing on this ordinance and recommended its approval. The Building Inspection  
23 Commission Secretary submitted a letter to the Clerk of the Board of Supervisors that  
24 reported this decision. A copy of said letter is on file with the Clerk of the Board in File No.  
25 \_\_\_\_\_

1 (c) For many years the steeply sloped and unimproved portion of Lombard Street  
2 below Coit Tower and between Telegraph Hill Boulevard and Montgomery Street and  
3 adjacent properties has witnessed severe erosion and rock slides. Some of these rockslides  
4 have led to significant property damage below the slide area. In one instance a large boulder  
5 narrowly missed striking a residential condominium at the base of Telegraph Hill and instead  
6 crushed a vehicle parked on Lombard Street. The City and adjacent property owners have  
7 undertaken various efforts to stabilize portions of Telegraph Hill in this area, including  
8 installation of a rock catchment fence, debris removal, and slope protection. Despite these  
9 efforts, the steeply sloped area continues to be problematic with occasional slides consisting  
10 of small rocks and debris. In recent years, this portion of Telegraph Hill has begun to pose a  
11 significant risk to persons and property. Fortunately, the past winters' drought conditions have  
12 contributed only minor saturation to Telegraph Hill, which has made a catastrophic event less  
13 likely. However, the Departments of Public Works and Building Inspection and their  
14 professional experts agree that work to stabilize this portion of Telegraph Hill must begin  
15 immediately to avoid significant risk to persons and property in advance of this year's rainy  
16 season.

17 (d) To address this risk to persons and property, the Department of Public Works  
18 (DPW), on its behalf and on behalf of the Recreation and Park Department (RPD),  
19 Department of Building Inspection (DBI), and affected private property owners, is proposing to  
20 implement the Telegraph Hill Rock Slope Improvement Project. This Project involves property  
21 under the regulatory jurisdiction of the RPD on the south side of unimproved Lombard Street  
22 below Coit Tower, DPW on the Lombard Street right-of-way, and DBI on the north side of  
23 Lombard Street. DPW has allocated the cost of the Project among RPD, DPW, and the  
24 privately-owned property on the north side of the Street at Assessor's Block 0060, Lot 005,  
25 based on the extent of slope stabilization responsibility associated with each property. Copies

1 of documents related to this Project and the public safety concerns of this portion of Telegraph  
2 Hill are on file with the Clerk of the Board of Supervisors in File No. 140627.

3 (e) Building Code Sections 102A.11 et seq. address the process under which DBI can  
4 address unsafe conditions and impose penalties when a private property does not comply  
5 with a DBI Order to abate a Building Code violation. Building Code Section 102A.13  
6 establishes the DBI Repair and Demolition Fund. DBI can use this Fund to remedy unsafe  
7 conditions when a responsible property owner fails or is unable to do so. Building Code  
8 Section 102A.16 governs the procedures that DBI shall follow to address serious and  
9 imminent hazards and other emergency situations, including those that may involve use of the  
10 Repair and Demolition Fund. However, this Section imposes a limit on use of such funds for  
11 emergency purposes when the cost of the work to abate the unsafe condition exceeds 50% of  
12 the value of the property of the responsible owner, as defined by the Assessor. The cost of  
13 the Project allocated to the privately-owned property on the north side of the Street at  
14 Assessor's Block 0060, Lot 005 is approximately \$1.8 million. The Assessor's property  
15 valuation for this site is only \$12,000.00, which is far below 50% of the cost of the Project  
16 allocated to this property.

17 (f) Under the circumstances, and based on the information that City agencies have  
18 presented at the hearing on this ordinance, the Board of Supervisors recognizes the imminent  
19 risk to persons and property presented at this site and finds that the limitations set forth in  
20 Building Code Section 102A.16 unduly constrain the City's ability to properly and expeditiously  
21 abate the unsafe condition on Telegraph Hill. Consequently, this Board finds that use of DBI's  
22 Repair and Demolition Fund is appropriate to address the abatement costs associated with  
23 the property at Assessor's Block 0060, Lot 005, subject to the City recouping whatever costs  
24 may be available from this property owner.

1 Section 2. Waiver of Property Value-Based Limitation on Use of Repair and Demolition  
2 Fund. Notwithstanding the property value limitation of Building Code Section 102A.16 on  
3 DBI's ability to use the Repair and Demolition Fund to abate unsafe conditions associated  
4 with private property, the Board of Supervisors authorizes DBI to use this Fund for those costs  
5 of the Telegraph Hill Rock Slope Improvement Project that are the responsibility of the  
6 property owner whose property is located at Assessor's Block 0060, Lot 005. This  
7 authorization is subject to the City recouping whatever costs may be available from this  
8 property owner. In regard to recoverable costs, the Board of Supervisors directs the DPW and  
9 DBI Directors to take any and all actions which they in consultation with the City Attorney may  
10 deem necessary or advisable in order to effectuate the purpose and intent of this ordinance  
11 and Building Code Sections 102A.11 et seq. In addition, based on the findings in this  
12 ordinance, the Board approves the transfer into this Fund of any DBI surplus that may be  
13 necessary to cover the aforementioned costs and replenish this Fund with the equivalent of  
14 the allocated costs or other amount the Board subsequently deems appropriate.

15  
16 Section 3. Effective Date. This ordinance shall become effective 30 days after  
17 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
18 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
19 of Supervisors overrides the Mayor's veto of the ordinance.

20  
21 APPROVED AS TO FORM:  
22 DENNIS J. HERRERA, City Attorney

23 By:

  
24 John D. Malamut  
Deputy City Attorney

25 n:\land\as2044\0690211\00928910.doc

**LEGISLATIVE DIGEST**

[Building Code — Use of Repair and Demolition Fund for Telegraph Hill Stabilization]

**Ordinance amending the Building Code to authorize use of the Repair and Demolition Fund specified in Building Code Section 102A.13 to address costs associated with private property owner responsibility to stabilize Telegraph Hill as part of the Rock Slope Improvement Project, and affirming the Planning Department's determination under the California Environmental Quality Act.**

Existing Law

Building Code Sections 102A.11 et seq. address the process under which the Department of Building Inspection (DBI) can address unsafe conditions and impose penalties when a private property owner does not comply with a DBI Order to abate a Building Code violation. Building Code Section 102A.13 establishes the DBI Repair and Demolition Fund. DBI can use this Fund to remedy unsafe conditions when a responsible property owner fails or is unable to do so. Building Code Section 102A.16 governs the procedures that DBI shall follow to address serious and imminent hazards and other emergency situations, including those that may involve use of the Repair and Demolition Fund. However, this Section imposes a limit on use of such funds when the cost of the work to abate the unsafe condition exceeds 50% of the value of the property of the responsible owner, as defined by the Assessor.

For many years the steeply sloped and unimproved portion of Lombard Street below Coit Tower and between Telegraph Hill Boulevard and Montgomery Street and adjacent properties have witnessed severe erosion and rock slides. The Departments of Public Works and Building Inspection and their professional experts agree that work to stabilize this portion of Telegraph Hill must begin immediately to avoid significant risk to persons and property. The Department of Public Works has developed the Telegraph Hill Rock Slope Improvement Project to address this risk and stabilize the hillside.

Amendments to Current Law

The Ordinance would authorize DBI to use approximately \$1.8 million in the Repair and Demolition Fund for the Telegraph Hill Rock Slope Improvement Project in order to address the costs of this Project that the City has allocated to the responsible private property owner, even though the assessed value of this private property is less than triggering amount under Building Code Section 102A.16. The legislation would condition use of these Funds on the City's ability to recoup whatever costs may be available from this property owner. The legislation also would affirm the Planning Department's determination under the California Environmental Quality Act.

n:\and\as2014\9690211\00934115.doc

**Wong, Linda (BOS)**

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**From:** Navarrete, Joy (CPC)  
**Sent:** Wednesday, June 11, 2014 3:53 PM  
**To:** Guzman, Monica  
**Cc:** Wong, Linda (BOS)  
**Subject:** RE: BOS File No. 140627, CEQA Determination (Request for Copy)  
**Attachments:** 140627 Building Code Use of Repair and Demo Fund for Telegraph Hill.pdf

Here's the exemption for 140627

**Joy Navarrete, Senior Environmental Planner**  
**San Francisco Planning Department**  
**1650 Mission Street, Suite 400**  
**San Francisco, CA 94103**  
**P. 415-575-9040 F. 415-558-6409**  
**[www.sfplanning.org](http://www.sfplanning.org)**

---

**From:** Guzman, Monica  
**Sent:** Wednesday, June 11, 2014 11:38 AM  
**To:** Navarrete, Joy (CPC)  
**Cc:** Jones, Sarah (CPC); Wong, Linda (BOS)  
**Subject:** BOS File No. 140627, CEQA Determination (Request for Copy)

Hi Joy,

Could you please provide a copy of the CEQA determination referenced in the attached legislation. It is referenced on pg. 1 of the ordinance.

Feel free to contact Linda Wong at [linda.wong@sfgov.org](mailto:linda.wong@sfgov.org) if you have any questions or concerns.

Thank you,

Monica L. Guzman  
Assistant Committee Clerk  
Board of Supervisors  
1 Dr. Carlton B. Goodlett Place, City Hall, Room 244  
San Francisco, CA 94102-4689  
Phone: (415) 554-7708 | Fax: (415) 554-5163  
[monica.guzman@sfgov.org](mailto:monica.guzman@sfgov.org) | [board.of.supervisors@sfgov.org](mailto:board.of.supervisors@sfgov.org)

1 [Building Code - Use of Repair and Demolition Fund for Telegraph Hill Stabilization]

2  
3 Ordinance amending the Building Code to authorize use of the Repair and Demolition  
4 Fund specified in Building Code, Section 102A.13, to address costs associated with  
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18 (California Public Resources Code Sections 21000 et seq.). The Board of Supervisors hereby  
19 affirms this determination. Said determination is on file with the Clerk of the Board of  
20 Supervisors in File No. \_\_\_\_\_ and is incorporated herein by reference.

21 (b) On \_\_\_\_\_, 2014, the Building Inspection Commission held a duly noticed  
22 hearing on this ordinance and recommended its approval. The Building Inspection  
23 Commission Secretary submitted a letter to the Clerk of the Board of Supervisors that  
24 reported this decision. A copy of said letter is on file with the Clerk of the Board in File No.  
25 \_\_\_\_\_

Statutory Exemption - CEQA Section 15269 (c)  
Emergency Projects - specific actions  
necessary to prevent or mitigate an  
emergency.  
D. Lee 6/11/14  
JOY NAVARRETE





**COTTON, SHIRES AND ASSOCIATES, INC.**  
CONSULTING ENGINEERS AND GEOLOGISTS

---

November 5, 2012

E5172B

Board of Directors  
LOMBARD PLAZA OWNER'S ASSOCIATION  
240 Lombard Street  
San Francisco, CA. 94111

**SUBJECT: Winterization Recommendations**  
**RE: East Slope of Telegraph Hill, Winthrop and Lombard Streets**  
San Francisco, California

Dear Board of Directors:

At the request of the City of San Francisco Department of Public Works (DPW), Cotton, Shires and Associates, Inc. (CSA) is providing you with this letter summarizing our winterization recommendations for the steep slope area adjacent to the Parc Telegraph property on Telegraph Hill in San Francisco, California. In our meeting with DPW on October 31, 2012, and in a subsequent email received on November 2, 2012, DPW requested winterization recommendations by November 6, 2012.

**BACKGROUND**

CSA representatives attended a meeting with DPW on October 31, 2012 where we summarized the status of our geologic and geotechnical investigation of the steep rock slope near the intersection of Winthrop and Lombard Streets in San Francisco California. At that time, our field investigation (topographic surveying, geologic mapping, and preparation of engineering geologic cross sections) had been recently completed. In summary, our field mapping reveals that the precipitous slope near the intersection of Winthrop and Lombard contains abundant very large rock blocks that are potentially unstable, and are capable of mobilizing into rockslides that are at least as hazardous as the January 23, 2012 rockslide. As you are aware, this January 23, 2012 rockslide destroyed the existing catchment fence at the base of the hill and damaged a vehicle parked in the Winthrop Street ROW near the Parc Telegraph residential structure. Rock blocks up to 8 feet in diameter came to rest within the Winthrop and Lombard Street ROWs, very near the residential structure. Ultimately, these large rock blocks were moved to near the base of the slope, the rock catchment fence was repaired, and the precipitous slope was 'scaled' of loose rocks (less than 3 feet in diameter) so that our geologists could access the slope safely. Following geologic mapping of the slope and preparation of engineering geologic cross sections, CSA then evaluated alternative

mitigation concepts. With the 2012-2013 winter coming up, the length of time likely needed for developing engineered design drawings and specifications, and the time necessary for permitting, the precipitous slope will likely remain in its current condition for at least a portion of the winter before mitigation measures can be implemented. Therefore, we are providing the following winterization recommendations.

#### WINTERIZATION RECOMMENDATIONS

The following recommendations should be considered until permanent mitigation of the slope is performed:

1. Access through the area of concern should be restricted to emergency vehicles and engineering/geologic professionals only. Trash removal should be performed only during daylight hours and not during heavy rainfall conditions. Neither automobile nor pedestrian traffic should be permitted between the Parc Telegraph building and the slope, and existing gate structures should be augmented and signed to facilitate this restriction.
2. The existing span of concrete 'K-rails' that is located on the east side of the access road near the southwest corner of the building should be augmented to include shadowing the transformers south of the Parc Telegraph building, and should be extended northward approximately 30 feet from the southwesterly corner of the building, shadowing the building for this stretch. The K-rails should be equipped with a minimum 6-foot high chain-link fence atop the rails. The K-rails should be provided with an overlapping gap near the corner of the building such that trash bin removal can be performed.
3. Following significant storm events (1 inch of rainfall per day or greater), earthquake events, or any significant rockfall activity, the slope should be inspected by a representative of CSA.
4. Residents that face the precipitous slope should be made aware of the rockfall hazard potential and should let the property manager and/or the LPOA representatives know if they observe rockfalls, raveling, or small rockslides. Of particular concern would be persistent raveling (where small groups of rocks dislodge from the slope face and dribble down the face again and again) of even very small sized rocks from the same area. Persistent raveling could potentially foreshadow a larger rockfall event.

5. CSA is providing the LPOA with the following emergency phone numbers and email addresses for key personnel available for contact 24 hours a day and these key personnel should be notified immediately if conditions on the slope deteriorate:

John Wallace – [jwallace@cottonshires.com](mailto:jwallace@cottonshires.com), cell: 408-348-5688, direct office line: 408-354-5542X303;

Joe Durdella – [mjurdella@cottonshires.com](mailto:mjurdella@cottonshires.com), cell: 408-221-6016, direct office line: 408-354-5542X211; and

Patrick Shires – [cottonshires@me.com](mailto:cottonshires@me.com), cell: 408-981-5060, direct office line: 209-736-4252.


#### LIMITATIONS

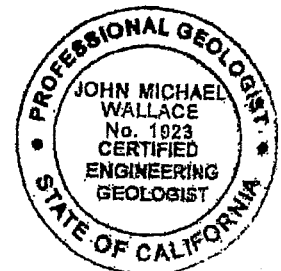
Our services consist of professional opinions and conceptual recommendations made in accordance with generally accepted engineering geology and geotechnical engineering principles and practices. No warranty, expressed or implied, or merchantability or fitness, is made in or intended connection with our work, by the proposal for consulting or other services, or by the furnishing of oral or written reports or findings.

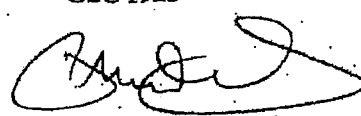
We trust that this provides you with the information that you need at this time. If you have any questions regarding this letter, please feel free to call us.

Respectfully submitted,

COTTON, SHIRES AND ASSOCIATES, INC.

  
John M. Wallace  
Principal Engineering Geologist  
CEG 1923



  
Patrick O. Shires  
Senior Principal Geotechnical Engineer  
GE 770



JMW:POS:st



Edwin M. Lee, Mayor  
Mohammed Nuru, Director

Office of the Deputy Director & City Engineer, Fuad Sweiss  
Infrastructure Design and Construction  
30 Van Ness Avenue  
San Francisco, CA 94102  
(415) 557-4700 ■ www.sfdpw.org



Patrick Rivera, Division Manager

**To:** Lombard Plaza Homeowners Association (LPHA)  
240 Lombard Street, San Francisco, CA 94111

**From:** Reza Baradaran, Geotechnical Engineer  
SF Department of Public Works  
30 Van Ness, 5<sup>th</sup> Floor, San Francisco, CA 94521

**Subject:** Winterization Recommendations for  
Slope of Telegraph Hill above 240 Lombard

**Date:** November 16, 2012

SFDPW is in agreement with recommendations provided by your engineering consultant, Cotton, Shires and Associates, Inc (CSA). CSA recommend the following course of action to reduce risk of injury or potential for property damage during the upcoming rainy season and until permanent mitigation measures are implemented at the site:

1. Access through the area of concern including the entire length of Winthrop should be restricted to emergency vehicles and engineering/geologic professionals only. Trash removal should be performed only during daylight hours and not during heavy rainfall conditions. Neither automobile nor pedestrian traffic should be permitted between the Parc Telegraph building and the slope, and existing gate structures should be augmented and signed to facilitate this restriction. Signs should be placed to warn residents and public at large to avoid entering onto the restricted areas.
2. In case of emergency evacuation of building and evacuation through the emergency exits on Winthrop Street, residents, personnel and staff should be advised not to congregate on Winthrop Street. They should vacate the Winthrop street immediately.
3. The existing span of concrete 'K-rails' that is located on the east side of the access road near the southwest corner of the building should be extended to include shadowing the PG&E transformers south of the Parc Telegraph building, and should be extended northward approximately 30 feet from the southwesterly corner of the building, shadowing the building for this stretch. The K-rails should be equipped with a minimum 6-foot high chain-link fence atop the rails. The K-rails should be provided with an overlapping gap near the corner of the building such that trash bin removal can be performed.



4. Following significant storm events (1 inch of rainfall per day or greater), earthquake events, or any significant rockfall activity, the slope should be inspected by a representative of Cotton, Shires and Associates.
5. Lombard Plaza HOA should immediately inform SFDPW of any new observed adverse events (rockslide, erosion, runoff on the hillside, damage to the catch fence, etc.).
6. Residents that face the precipitous slope should be made aware of the rockfall hazard potential and should let the property manager and/or the LPHA representatives know if they observe rockfalls, raveling, or small rockslides. Of particular concern would be persistent raveling (where small groups of rocks dislodge from the slope face and dribble down the face again and again) of even very small sized rocks from the same area. Persistent raveling could potentially foreshadow a larger rockfall event.



**Wong, Linda (BOS)**

---

**From:** Pereira Tully, Marisa (MYR)  
**Sent:** Thursday, June 12, 2014 10:51 AM  
**To:** Guzman, Monica  
**Cc:** Jones, Jermain (MYR); Wong, Linda (BOS)  
**Subject:** FW: BOS File No. 140627 - Building Code - Use of Repair and Demolition Fund for Telegraph Hill Stabilization  
**Attachments:** E5172B Telegraph Hill east slope.pdf.pdf, Site Winterization.doc

\* Building Inspection Commission Recommendation Letter – *The BIC is scheduled to meet on June 18, at which point they will issue this letter. We should be able to provide on June 19.*

\* Documents related to this Project and the public safety concerns of this portion of Telegraph hill – *Please see attached documents.*

Marisa Pereira Tully  
Fiscal & Policy Analyst  
Mayor's Office of Public Policy and Finance  
City and County of San Francisco  
Phone: 415-554-6216  
Email: [marisa.pereira.tully@sfgov.org](mailto:marisa.pereira.tully@sfgov.org)

---

**From:** Jones, Jermain (MYR)  
**Sent:** Wednesday, June 11, 2014 1:32 PM  
**To:** Pereira Tully, Marisa (MYR)  
**Subject:** Fwd: BOS File No. 140627 - Building Code - Use of Repair and Demolition Fund for Telegraph Hill Stabilization

Hey. Sorry Can you also forward this one for me? Still no desktop outlook.

Begin forwarded message:

**From:** "Guzman, Monica" <[Monica.Guzman@sfgov.org](mailto:Monica.Guzman@sfgov.org)>  
**Date:** June 11, 2014 at 11:56:02 AM PDT  
**To:** "Jones, Jermain (MYR)" <[jermain.jones@sfgov.org](mailto:jermain.jones@sfgov.org)>  
**Cc:** "Wong, Linda (BOS)" <[linda.wong@sfgov.org](mailto:linda.wong@sfgov.org)>  
**Subject:** BOS File No. 140627 - Building Code - Use of Repair and Demolition Fund for Telegraph Hill Stabilization

Hello Jermain,

Could you provide the following documents for the above mentioned file.

- \* Building Inspection Commission Recommendation Letter
- \* Documents related to this Project and the public safety concerns of this portion of Telegraph hill.

The Building Inspection Commission letter is mentioned on pg. 1 of the legislation and the other documents are referenced on pg 2. Section (d).

Feel free to contact Linda Wong at [linda.wong@sfgov.org](mailto:linda.wong@sfgov.org) if you have any questions or concerns.

Thank you,

Monica L. Guzman  
Assistant Committee Clerk  
Board of Supervisors  
1 Dr. Carlton B. Goodlett Place, City Hall, Room 244  
San Francisco, CA 94102-4689  
Phone: (415) 554-7708 | Fax: (415) 554-5163  
[monica.guzman@sfgov.org](mailto:monica.guzman@sfgov.org) | [board.of.supervisors@sfgov.org](mailto:board.of.supervisors@sfgov.org)

<140627.pdf>

OFFICE OF THE MAYOR  
SAN FRANCISCO



RECEIVED EDWIN M. LEE  
BOARD OF SUPERVISORS MAYOR  
SAN FRANCISCO

2014 JUN -2 PM 12:34

TO: Angela Calvillo, Clerk of the Board of Supervisors *AC*  
FROM: *re* Mayor Edwin M. Lee *JE*  
RE: Building Code – Use of Repair and Demolition Fund for Telegraph Hill  
Stabilization  
DATE: June 2, 2014

---

Attached for introduction to the Board of Supervisors is the ordinance amending the Building Code to authorize use of the Repair and Demolition Fund specified in Building Code Section 102A.13 to address costs associated with private property owner responsibility to stabilize Telegraph Hill as part of the Rock Slope Improvement Project, and affirming the Planning Department's determination under the California Environmental Quality Act.

I request that this item be calendared in Budget and Finance Committee.

Should you have any questions, please contact Jason Elliott (415) 554-5105.