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SAN FRANCISCO ASSESSOR-RECORDER

RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:

Office of Economic & Workforce Development  
City Hall, Room 448  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102  
Attn: Director

200 and 214 Van Ness Avenue

Space Above for Recorder's Use

Block 0811, Lot 010 and Lot 012

**NOTICE OF SPECIAL RESTRICTIONS**

This Notice of Special Restrictions ("**Notice**") is made this 13th day of April, 2018 by the San Francisco Conservatory of Music, a California non-profit public benefit corporation ("**SFCM**"), with reference to the following:

A. SFCM owns the property located at 200 and 214 Van Ness Avenue in San Francisco, California, as more particularly described in the legal description attached as Exhibit A (the "**Project Site**"). At the time SFCM acquired the Project Site, the Project Site contained a residential building with twenty-seven (27) units.

B. SFCM proposes to demolish the two existing buildings on the Project Site and create a student housing focused mixed-use project on the Project Site with approximately four hundred twenty (420) student housing beds, three (3) faculty units, one-for-one replacement of the existing twenty-seven (27) residential units with modern, contemporary, code complying units (the "**Replacement Units**"), educational and performance space, and ground floor retail / restaurant uses, all in an approximately 168,000 gross square foot building (the "**Project**"). The Project is designed to permit SFCM to continue to provide exceptional music education and strengthen San Francisco's civic center arts and cultural district by providing student housing and related facilities while insuring modern replacement housing for existing tenants and alleviating pressure on San Francisco's existing housing stock.

C. SFCM and the City and County of San Francisco ("**City**") have entered into a Development Agreement pursuant to Government Code Section 65864 et seq. and Chapter 56 of the City Administrative Code ("**Development Agreement**"). As part of its Replacement Housing and Interim Relocation Plan incorporated into the Development Agreement, SFCM will voluntarily submit the Replacement Units to the ongoing jurisdiction of the San Francisco Rent Control Ordinance.

D. On April 10, 2018, the Board of Supervisors approved the Development Agreement.

E. As a condition of approving the Development Agreement the City has required, and SFCM has accepted, the execution and recording of this Notice. This Notice is being executed and recorded for the benefit of the City.

NOW, THEREFORE, THE CITY AND SFCM AGREE AND COVENANT AS FOLLOWS:

I. APPLICATION OF SAN FRANCISCO RENT ORDINANCE TO REPLACEMENT UNITS.

SFCM agrees to maintain the Replacement Units as rent controlled under Chapter 37 of the San Francisco Administrative Code, the Residential Rent Stabilization and Arbitration Ordinance ("**Rent Control Ordinance**") for so long as the Rent Control Ordinance, or a similar successor ordinance, remains in effect and to waive the provisions of the Costa-Hawkins Rental Housing Act, California Civil Code Sections 1954.50 et seq. ("**Costa-Hawkins Act**") to the extent applicable to the Replacement Units. Such commitment does not depend upon the initial occupancy of the Replacement Unit by Existing Tenants (as defined below). Notwithstanding the foregoing, SFCM shall be entitled to establish the initial rental rate for any of the Replacement Units anytime such Replacement Unit is not occupied by a tenant who resided at 200 Van Ness prior to the commencement of construction of the Project ("**Existing Tenant**"). SFCM also waives any and all rights to evict any tenant in a Replacement Unit (including Existing Tenants and other tenants) under the Ellis Act (California Government Code Section 7060 et seq.) and any other laws or regulations that permit owner move-in evictions for any of the Replacement Units for so long as the Replacement Units are subject to the Rent Control Ordinance.

SFCM agrees and acknowledges that this Notice and SFCM's agreement to subject the Replacement Units to the Rent Control Ordinance falls within the express exceptions to the Costa-Hawkins Act because the Development Agreement is a contract with a public entity in consideration for contributions and other forms of assistance specified in Chapter 4.3 (commencing with Section 65915 of Division 1 of Title 7 of the California Government Code) and the City would not be willing to enter into the Development Agreement without the understanding and agreement that the Costa-Hawkins Act provisions set forth in California Civil Code Section 1954.52(a) do not apply to the Replacement Units as a result of the exemption set forth in California Civil Code Section 1954.52(b).

II. APPLICABILITY OF RESTRICTION

The restrictions set forth in this Notice shall only be applicable to the Replacement Units and the portion of the Project Site upon which any Replacement Units are located. In the event that the Project is subdivided at any time in the future, this Notice shall be released from all portions of the Project Site and the Project that do not include Replacement Units.

III. PARTIES BOUND

So long as this Notice has not been released pursuant to the provisions of Section II, the provisions of this Notice shall bind any person or entity which acquires an interest in the Replacement Units, or to whom any interest in the Replacement Units is transferred involuntarily or by operation of law. SFCM shall include the provisions of this Notice in any and all assignment and assumption agreements and any and all recorded restrictions for any portion of the Project Site that includes the Replacement Units.

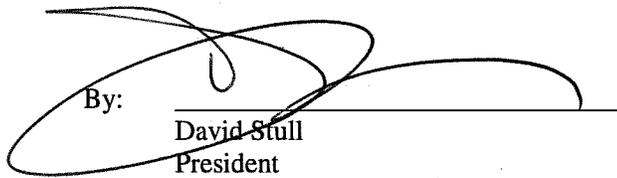
IV. GOVERNING LAW

This Notice shall be governed and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, SFCM has executed this instrument the day and year first hereinabove written.

"SFCM"

SAN FRANCISCO CONSERVATORY OF  
MUSIC, a California non-profit public benefit  
corporation

By: 

David Stull  
President

[SIGNATURES MUST NOTARIZED]

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

State of California )  
County of San Francisco )

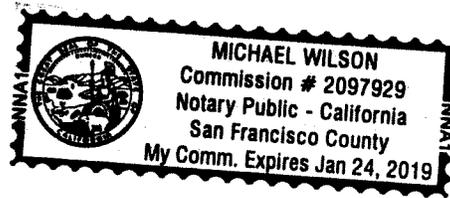
On April 16, 2018, before me, Michael Wilson, a Notary Public, personally appeared David H. Stull, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person 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

  
\_\_\_\_\_



## **Exhibit A**

### **LEGAL DESCRIPTION**

Real property in the City of San Francisco, County of San Francisco, State of California, described as follows:

**PARCEL ONE:**

BEGINNING AT THE POINT OF THE INTERSECTION OF THE EASTERLY LINE OF VAN NESS AVENUE WITH THE SOUTHERLY LINE OF IVY STREET; RUNNING THENCE ALONG SAID LINE OF VAN NESS AVENUE SOUTHERLY 59 FEET 11-1/8 INCHES; THENCE AT A RIGHT ANGLE EASTERLY 109 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 59 FEET 11-1/8 INCHES TO THE SAID SOUTHERLY LINE OF IVY STREET; THENCE ALONG THE LAST MENTIONED LINE WESTERLY 109 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF WESTERN ADDITION BLOCK NO. 68.

**PARCEL TWO:**

COMMENCING AT THE POINT OF INTERSECTION OF THE NORTHERLY LINE OF HAYES STREET AND THE EASTERLY LINE OF VAN NESS AVENUE; RUNNING THENCE NORTHERLY AND ALONG SAID LINE OF VAN NESS AVENUE 60 FEET, 0-7/8 INCHES; THENCE AT A RIGHT ANGLE EASTERLY 109 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 60 FEET, 0-7/8 INCHES TO THE NORTHERLY LINE OF HAYES STREET; THENCE AT A RIGHT ANGLE WESTERLY AND ALONG SAID LINE OF HAYES STREET 109 FEET TO THE POINT OF COMMENCEMENT.

BEING PART OF WESTERN ADDITION BLOCK NO. 68.

APN: Lot 010; Block 0811 (Affects Parcel Two)  
Lot 012; Block 0811 (Affects Parcel One)