

File No. 180984

Committee Item No. 2

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight

Date: November 7, 2018

Board of Supervisors Meeting:

Date: _____

Cmte Board

- | | | |
|-------------------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER

- | | | |
|-------------------------------------|--------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Case Report - 2018 Mills Act Applications</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>HPC Reso. No. 990 - October 3, 2018</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Rehabilitation and Maintenance Plans</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Assessor's Mills Act Valuation</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Mills Act Application Documents</u> |

Prepared by: John Carroll

Date: November 2, 2018

Prepared by: _____

Date: _____

1 [Mills Act Historical Property Contract - 353 Kearny Street]
2

3 **Resolution approving an historical property contract between Pine Kearny LLC, the**
4 **owner of 353 Kearny Street, and the City and County of San Francisco, under**
5 **Administrative Code, Chapter 71; authorizing the Planning Director and the Assessor-**
6 **Recorder to execute and record the historical property contract.**
7

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

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

15 WHEREAS, Said determination is on file with the Clerk of the Board of Supervisors in
16 File No. 180984, is incorporated herein by reference, and the Board herein affirms it; and

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

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

23 WHEREAS, 353 Kearny Street is designated as a Category IV–Contributory Building to
24 Kearny-Market-Mason-Sutter Conservation District under Article 11 of the Planning Code and
25 thus qualifies as an historical property as defined in Administrative Code, Section 71.2; and

1 WHEREAS, A Mills Act application for an historical property contract has been
2 submitted by Pine Kearny LLC, the owners of 353 Kearny Street, detailing rehabilitation work
3 and proposing a maintenance plan for the property; and

4 WHEREAS, As required by Administrative Code, Section 71.4(a), the application for
5 the historical property contract for 353 Kearny Street was reviewed by the Assessor's Office
6 and the Historic Preservation Commission; and

7 WHEREAS, The Assessor-Recorder has reviewed the historical property contract and
8 has provided the Board of Supervisors with an estimate of the property tax calculations and
9 the difference in property tax assessments under the different valuation methods permitted by
10 the Mills Act in its report transmitted to the Board of Supervisors on October 10, 2018, which
11 report is on file with the Clerk of the Board of Supervisors in File No. 180984 and is hereby
12 declared to be a part of this Resolution as if set forth fully herein; and

13 WHEREAS, The Historic Preservation Commission recommended approval of the
14 historical property contract in its Resolution No. 990, including approval of the Rehabilitation
15 Program and Maintenance Plan, attached to said Resolution, which is on file with the Clerk of
16 the Board of Supervisors in File No. 180984 and is hereby declared to be a part of this
17 Resolution as if set forth fully herein; and

18 WHEREAS, The draft historical property contract between Pine Kearny LLC, the owner
19 of 353 Kearny Street, and the City and County of San Francisco is on file with the Clerk of the
20 Board of Supervisors in File No. 180984 and is hereby declared to be a part of this Resolution
21 as if set forth fully herein; and

22 WHEREAS, The Board of Supervisors has conducted a public hearing pursuant to
23 Administrative Code, Section 71.4(d) to review the Historic Preservation Commission's
24 recommendation and the information provided by the Assessor's Office in order to determine
25 whether the City should execute the historical property contract for 353 Kearny Street; and

1 WHEREAS, The Board of Supervisors has balanced the benefits of the Mills Act to the
2 owner of 353 Kearny Street with the cost to the City of providing the property tax reductions
3 authorized by the Mills Act, as well as the historical value of 353 Kearny Street and the
4 resultant property tax reductions, and has determined that it is in the public interest to enter
5 into a historical property contract with the applicants; now, therefore, be it

6 RESOLVED, That the Board of Supervisors hereby approves the historical property
7 contract between Pine Kearny LLC, the owners of 353 Kearny Street, and the City and County
8 of San Francisco; and, be it

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

12
13
14
15
16
17
18
19
20
21
22
23
24
25

**Recording Requested by, and
when recorded, send notice to:**
City and County of San Francisco
Planning Department
Attn: Shannon Ferguson
1650 Mission Street, Suite 400
San Francisco, CA 94103-2414

**CALIFORNIA MILLS ACT
HISTORIC PROPERTY AGREEMENT
353 KEARNY STREET
SAN FRANCISCO, CALIFORNIA**

THIS AGREEMENT is entered into by and between the City and County of San Francisco, a California municipal corporation ("City") and Pine Kearny LLC ("Owners").

RECITALS

Owners are the owners of the property located at 353 Kearny Street, in San Francisco, California (Block 0270, Lot 001). The building located at 353 Kearny Street is designated as a Category IV–Contributory Building to Kearny-Market-Mason-Sutter Conservation District (the "Historic Property"). The Historic Property is a Qualified Historic Property, as defined under California Government Code Section 50280.1.

Owners desire to execute a rehabilitation and ongoing maintenance project for the Historic Property. Owners' application calls for the rehabilitation and restoration of the Historic Property according to established preservation standards, which it estimates will cost one million, ninety-one thousand, and seventy-seven dollars (\$1,091,077.00). (See Rehabilitation Plan, Exhibit A.) Owners' application calls for the maintenance of the Historic Property according to established preservation standards, which is estimated will cost approximately twenty-three thousand, six hundred ninety-four dollars (\$23,694.00) annually (See Maintenance Plan, Exhibit B).

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

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

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

1. Application of Mills Act. The benefits, privileges, restrictions, and obligations provided for in the Mills Act will be applied to the Historic Property during the Term (as defined in Paragraph 7 below), commencing on the date that this Agreement is recorded.

2. Rehabilitation of the Historic Property. Owners will undertake and complete the work set forth in Exhibit A ("Rehabilitation Plan") according to certain standards and requirements. Those standards and requirements include, but are not limited to: the Secretary of the Interior's Standards for the Treatment of Historic Properties ("Secretary's Standards"); the rules and regulations of the Office of Historic Preservation of the California Department of Parks and Recreation ("OHP Rules and Regulations"); the State Historical Building Code as determined applicable by City; all applicable building safety standards; and the requirements of the Historic Preservation Commission, the Planning Commission, and the Board of Supervisors, including but not limited to any Certificates of Appropriateness approved under Planning Code Article 10. Owners will (a) apply for any necessary permits no more than six (6) months after the date this Agreement is recorded, (b) commence the work within six (6) months of receipt of necessary permits, and (c) complete the work within three (3) years from the date of receipt of permits. Upon written request by Owners, the Zoning Administrator, at his or her discretion, may grant an extension of the time periods set forth in this paragraph. Owners may apply for an extension by a letter to the Zoning Administrator, and the Zoning Administrator may grant the extension by letter without a hearing. The work will be deemed complete when the Director of Planning determines that the Historic Property has been rehabilitated in accordance with the standards set forth in this Paragraph. Failure to timely complete the work may result in cancellation of this Agreement as set forth in Paragraphs 11 and 12 below.

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

4. Damage. If fifty percent (50%) or less of the Historic Property is damaged by any cause whatsoever, Owners will replace and repair the damaged area(s) of the Historic Property. For repairs that do not require a permit, Owners will commence the repair work within thirty (30) days after the date of the damage and will diligently perform and complete the repair work within a reasonable time, as determined by City. Where specialized services are required due to the nature of the work and the historic character of the features damaged, "commence the repair work" within the meaning of this paragraph may include contracting for repair services. For repairs that require a permit(s), Owners will apply for any necessary permits for the work within sixty (60) days after the date of the damage, commence the repair work within one hundred twenty (120) days of receipt of the required permit(s), and diligently perform and complete the repair work within a reasonable period of time, as determined by City. Upon written request by Owners, the Zoning Administrator, at his or her discretion, may grant an extension of the time periods set forth in this paragraph. Owners may apply for an extension by a letter to the Zoning Administrator, and the Zoning Administrator may grant the extension by letter without a hearing. All repair work must comply with the design and standards established for the Historic Property in Exhibits A and B attached hereto and Paragraph 3 above. If twenty percent (20%) or more of the Historic Property is damaged due to a catastrophic event, such as an earthquake, or if more than fifty percent (50%) of the Historic Property is destroyed from any cause whatsoever, then City and Owners may mutually agree to terminate this Agreement and Owners will not be obligated to pay the cancellation fee set forth in Paragraph 12 below. Upon the termination, City will assess the full value of the Historic Property without regard to any restriction imposed upon the Historic Property by this Agreement and Owners will pay property taxes to City based upon that valuation as of the date of termination.

5. Insurance. Owners will obtain and maintain adequate property insurance to meet Owners' repair and replacement obligations under this Agreement and will submit evidence of that insurance to City upon request.
6. Inspections and Compliance Monitoring. Before entering into this Agreement Owners have allowed, and every five years during the Term (defined in Paragraph 7 below) upon seventy-two (72) hours advance notice Owners will allow any representative of City, the Office of Historic Preservation of the California Department of Parks and Recreation, or the State Board of Equalization, to inspect of the interior and exterior of the Historic Property, to determine Owners' compliance with this Agreement. Throughout the term of this Agreement, Owners will provide all reasonable information and documentation about the Historic Property demonstrating compliance with this Agreement, as requested by any of the above-referenced representatives.
7. Term. This Agreement will be effective on the recording date for a term of ten years from that date ("Term"), as it may be extended. As provided in Government Code section 50282, one year will be added automatically to the Term on each anniversary date of this Agreement, unless notice of nonrenewal is given as set forth in Paragraph 9 below.
8. Valuation. Pursuant to Section 439.4 of the California Revenue and Taxation Code, as amended from time to time, this Agreement must have been signed, accepted and recorded on or before the lien date (January 1) for a fiscal year (the following July 1-June 30) for the Historic Property to be valued under the taxation provisions of the Mills Act for that fiscal year.
9. Notice of Nonrenewal. If in any year of this Agreement either Owners or City desire not to renew this Agreement, then that party will serve written notice on the other party before the annual renewal date. Owners must serve the written notice of nonrenewal to City at least ninety (90) days before the date of renewal. City must serve the written notice of non-renewal to Owners at least sixty (60) days before the date of renewal. If City elects not to renew the Agreement, then the Board of Supervisors must make City's determination that this Agreement will not be renewed and send a notice of nonrenewal to Owners. Upon receipt by Owners of a notice of nonrenewal from City, Owners may make a written protest. At any time before the renewal date, the City's Board of Supervisors may withdraw its notice of nonrenewal. If either party serves a notice of nonrenewal of this Agreement, this Agreement will remain in effect for the remaining balance of the Term. If either party elects not to renew this Agreement, then the electing party may cause a notice of nonrenewal in the form attached as Exhibit C to this Agreement to be completed and recorded. Upon the expiration of this Agreement, City will assess the full value of the Historic Property without regard to any restriction imposed upon the Historic Property by this Agreement and Owners will pay property taxes to City based upon that valuation as of the date of expiration.
10. Payment of Fees. As provided for in Government Code Section 50281.1 and San Francisco Administrative Code Section 71.6, upon filing an application to enter into a Mills Act Agreement with City, Owners will pay City the reasonable costs related to the preparation and approval of the Agreement. In addition, Owners will pay City for the actual costs of inspecting the Historic Property, as set forth in Paragraph 6 above.
11. Default. If City determine that any of the following have occurred, City will give Owners written notice by registered or certified mail specifying the failure:
 - (a) Owners' failure to timely complete the rehabilitation work set forth in Exhibit A, in accordance with Paragraph 2 above;
 - (b) Owners' failure to maintain the Historic Property as set forth in Exhibit B, in accordance with Paragraph 3 above;

- (c) Owners' failure to repair any damage to the Historic Property in a timely manner, as provided in Paragraph 4 above;
- (d) Owners' failure to allow any inspections or requests for information, as provided in Paragraph 6 above;
- (e) Owners' failure to pay any fees requested by City as provided in Paragraph 10 above;
- (f) Owners' failure to maintain adequate insurance for the replacement cost of the Historic Property, as required by Paragraph 5 above; or
- (g) Owners' failure to comply with any other provision of this Agreement.

If Owners do not undertake and diligently pursue corrective action to the reasonable satisfaction of City within thirty (30) days after the date of the notice, then the Board of Supervisors will conduct a public hearing to determine whether an event of default has occurred. Notice of the public hearing will be mailed to the last known address of each owner of property in the Hayes Valley Residential Historic District and published under Government Code section 6061. If the Board of Supervisors determines that an event of default has occurred, City will either cancel this Agreement as set forth in Paragraph 12 below or bring an action to enforce this contract, including, but not limited to, an action for specific performance or injunction.

12. Cancellation. If the Board of Supervisors determines that an event of default has occurred and elects to cancel the contract, then Owners will pay a cancellation fee of twelve and one-half percent (12.5%) of the fair market value of the Historic Property at the time of cancellation. The City Assessor will determine fair market value of the Historic Property without regard to any restriction imposed on the Historic Property by this Agreement. The Cancellation Fee will be paid to the City Tax Collector at such time and in such manner as City may prescribe. As of the date of cancellation, Owners will pay property taxes to City without regard to any restriction imposed on the Historic Property by this Agreement and based upon the Assessor's determination of the fair market value of the Historic Property as of the date of cancellation.

13. Enforcement of Agreement. No failure by City to cancel this Agreement or file an action will be deemed to be a waiver of this Agreement or any claim for an event of default under this Agreement.

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

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

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

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

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

19. Recordation. Within 20 days after the date of execution of this Agreement, the parties will cause this Agreement to be recorded with the Office of the Recorder of the City and County of San Francisco.

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

21. No Implied Waiver. No failure by City to insist on the strict performance of any obligation of Owners under this Agreement or to exercise any right, power, or remedy arising out of an event of default or breach of this Agreement will constitute a waiver of the event of default or breach or of City's right to demand strict compliance with any terms of this Agreement.

22. Authority. If Owners sign as a corporation or a partnership, each of the persons executing this Agreement on behalf of Owners covenants and warrants that the entity is a duly authorized and existing entity, that the entity has and is qualified to do business in California, that Owners have full right and authority to enter into this Agreement, and that each and all of the persons signing on behalf of Owners are authorized to do so.

23. Severability. If any provision of this Agreement is determined to be invalid or unenforceable, the remainder of this Agreement will not be affected thereby, and each other provision of this Agreement will be valid and enforceable to the fullest extent permitted by law, except to the extent that enforcement of this Agreement without the invalidated provision would be unreasonable or inequitable under all the circumstances or would frustrate a fundamental purpose of this Agreement.

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

25. MacBride Principles. City 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. City also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Owners acknowledge that it has read and understands the above statement of City concerning doing business in Northern Ireland.

26. Sunshine. Owners understand and agree that under the San Francisco Sunshine Ordinance (San Francisco Administrative Code, Chapter 67) and the State Public Records Law (Gov't Code Section 6250 et seq.), this Agreement and any and all records, information, and materials submitted to City under this Agreement or the Mills Act are public records subject to public disclosure.

27. Conflict of Interest. Through its execution of this Agreement, Owners acknowledge that it is familiar with the provisions of Section 15.103 of the City's Charter, Article III, Chapter 2 of the San Francisco Campaign and Governmental Conduct Code, and California Government Code section 87100 et seq. and section 1090 et seq., and certifies that it does not know of any facts that constitute a violation of those provisions and agrees that it will immediately notify City if it becomes aware of any such fact during the Term.

28. Notification of Limitations on Contributions. Through execution of this Agreement, Owners acknowledge that it is familiar with Section 1.126 of City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with 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 the contract until three (3) months after the date the contract is approved by City elective officer or the board on which that City elective officer serves. San Francisco Ethics Commission Regulation 1.126-1 provides that negotiations are commenced when a prospective contractor first communicates with a City officer or employee about the possibility of obtaining a specific contract. This communication may occur in person, by telephone or in writing, and may be initiated by the prospective contractor or a City officer or employee. Negotiations are completed when a contract is finalized and signed by City and the contractor. Negotiations are terminated when City and/or the prospective contractor end the negotiation process before a final decision is made to award the contract.

29. Nondiscrimination. In the performance of this Agreement, Owners agree not to discriminate on the basis of the fact or perception of a person's, race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes, against any City employee, employee of or applicant for employment with Owners, or against any bidder or contractor for public works or improvements, or for a franchise, concession or lease of property, or for goods or services or supplies to be purchased by Owners. A similar provision must be included in all subordinate agreements let, awarded, negotiated, or entered into by Owners for the purpose of implementing this Agreement.

30. Exhibits. Exhibits A, B, and C attached to this Agreement are incorporated and made a part of this Agreement by reference.

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

32. Signatures. This Agreement may be signed and dated in counterparts, and when all counterparts are assembled, will be considered one document.

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

CITY AND COUNTY OF SAN FRANCISCO:

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

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

APPROVED AS TO FORM:
DENNIS J. HERRERA
CITY ATTORNEY

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

OWNERS

By: _____ (signature) DATE: _____
_____ (name/title), Pine Kearny LLC, Owner

By: _____ (signature) DATE: _____
_____ (name/title), Pine Kearny LLC, Owner

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

REHABILITATION/RESTORATION & MAINTENANCE PLAN

All pricing below has been prepared by J.R. Conkey & Associates.

Rehabilitation/Restoration Plan

Scope: # 1			
Building Feature: Roofing Membrane/Membrane Flashing/Sheet Metal Flashing – Roof & Parapet			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019 and every 20 years thereafter			
Total Cost: \$111,269.00			
Description of work: Replace roofing membrane and associated sheet metal flashing at roof surfaces and parapet. Confirm proper roof slope and drainage for new roof. Repair/replace through-wall scupper as needed. Provide for additional roof drains/overflows to meet code if needed. Follow recommendations of waterproofing consultant.			

Scope: # 2			
Building Feature: Existing Steel Seismic Roof Bracing – Roof & Parapet			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$10,686.00			
Description of work: Inspect to ensure all ties are secure at parapets. Repair as needed. Prepare, prime, and paint.			

Scope: # 3			
Building Feature: Elevator Penthouse – Roof			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$78,481.00			
Description of work: Repair elevator penthouse cladding where removed or damaged. Replace exposed plywood substrate as needed and provide new similar sheet metal paneling to meet new roofing system. Repair existing where feasible. Replace missing door to elevator penthouse for weather resistance, safety, and security. Clean out debris and bird guano, etc. from open/exposed penthouse as needed for proper operation and maintenance of historic elevator. Repair/replace glazing putty/sealant at rooftop skylight as needed. Replace broken/cracked glass as needed. Prepare, prime, and paint glazing putty, metal skylight, and sheet metal at elevator penthouse.			

Scope: # 4			
Building Feature: Brick/Masonry – 4th and 5th Floors South Wall and Southwest Corner (Interior of brick wall)			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$6,576.00			
Description of work: Remove efflorescence and soft/deteriorated mortar caused by moisture infiltration. Spot repoint as needed with compatible/appropriate mortar that matches original in color, texture, and appearance where mortar is deteriorated, loose, unsound, or missing. (Although this area is interior, moisture infiltration is coming from the roof and exterior side of the wall).			

Rehabilitation/Restoration Plan

Scope: # 5			
Building Feature: Brick/Masonry – Basement Floor (Interior face of bearing wall/foundation wall at area under sidewalk)			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed
			Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$17,328.00			
Description of work: Investigate source of moisture. Brush or vacuum to remove efflorescence and repair/repoint brick as needed with compatible/appropriate mortar, especially where deeply eroded/recessed. Treat exposed steel where corroded, and prepare, prime, and paint.			

Scope: # 6			
Building Feature: Wood Windows – Kearny/Pine Elevations			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed
			Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$125,995.00			
Description of work: Inspect and repair wood windows as needed. Repair deteriorated wood, and replace deteriorated glazing putty as needed. Replace cracked/broken/missing glass. Prepare, prime, and paint. Check sealant at perimeter of frame to masonry and replace if needed. Clean, repair/replace broken/missing hardware, and replace sash cords as needed to allow for proper operation.			

Scope: # 7			
Building Feature: Cement Plaster – West Elevation			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed
			Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$131,385.00			
Description of work: Survey and remove deteriorated, unsound, debonded, missing, and cracked cement plaster. Repair substrate as needed and repair and patch cement plaster to match existing adjacent. Remove biological growth at facade by appropriate cleaning using gentle means such as warm water/detergent wash and biocide application. Treat steel exposed during the process, particularly at window heads, and prepare, prime, and paint. Prepare, prime, and repaint cement plaster with appropriate breathable paint.			

Scope: # 8			
Building Feature: Wood Windows – West Elevations			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed
			Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$132,325.00			
Description of work: Replace missing (removed by previous owner) windows with new compatible wood windows similar to historic in appearance, including sash, frame, and trim.			

Rehabilitation/Restoration Plan

Scope: # 9			
Building Feature: Brick/Masonry – Kearny/Pine Elevations			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed
			Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$114,583.00			
Description of work: Consider removing paint from brick pending testing and feasibility, and clean masonry. Remove and clean roofing material from face of parapet. Inspect and repair masonry, and repoint where needed with compatible/appropriate mortar that matches original in color, texture, and appearance where mortar is deteriorated, loose, unsound, or missing. Treat ferrous corrosion where occurs, and prepare, prime, & paint where metal is exposed. Inspect and repair/replace deteriorated parge coat at window sills as needed with appropriate compatible parge. If testing and feasibility of paint removal prove to be inappropriate or prohibitive, prepare, prime, and repaint brick with appropriate breathable coating and every 10 years thereafter or as needed. All work to comply with the NPS Preservation Briefs # 1, #2 and #47.			

Scope: # 10			
Building Feature: Sheet Metal Cornice and Watertable Banding – Kearny/Pine Elevations			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed
			Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$75,131.00			
Description of work: Repair or replace deteriorated sheet metal elements to match original at cornice and watertable banding. Patch where possible. Remove corrosion, prepare, prime, and paint and every 10 years thereafter or as needed.			

Scope: # 11			
Building Feature: Metal Window Lintels – Kearny/Pine Elevations			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed
			Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$32,880.00			
Description of work: Remove corrosion, prepare, prime, and paint and every 10 years thereafter or as needed. Repair substrate as needed.			

Scope: # 12			
Building Feature: Metal Fire Escape – Pine Street Elevation			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed
			Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$3,452.00			
Description of work: Inspect fire escape to comply with codes as needed. Repair deteriorated metal as needed. Remove corrosion, prepare, prime, and paint.			

Rehabilitation/Restoration Plan

Scope: # 13			
Building Feature: Elevator and Stair (Structurally Connected System) – Interior			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$986.00			
Description of work: Reattach loose elements and make general repairs/stabilize at interior stair and elevator.			

Scope: # 14			
Building Feature: Kearny/Pine Street Storefront – Replacement/Rehabilitation			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029			
Total Cost: \$250,000.00			
Description of work: Remove non-historic portions of the two southernmost entries to install a new more compatible storefront system. Remove non-original marble and rehabilitate brick if feasible or replace with a more compatible cladding. Retain and rehabilitate the historic wood transoms. Consideration should be given to ADA compliance requirements.			

Maintenance Plan

Scope: # 15			
Building Feature: Roofing Membrane/Membrane Flashing/Sheet Metal Flashing – Roof and Parapet			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$2,406.00			
Description of work: Inspect annually and repair as needed, including scuppers and roof drains. Clean scuppers and roof drains annually and as needed.			

Scope: # 16			
Building Feature: Roofing Membrane/Membrane Flashing/Sheet Metal Flashing – Roof and Parapet			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$32,995.00			
Description of work: Repair as needed. Prepare, prime, and paint sheet metal every 10 years, or as needed.			

Scope: # 17			
Building Feature: Existing Steel Seismic Roof Bracing – Roof and Parapet			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$4,899.00			
Description of work: Inspect annually and repair as needed. Prepare, prime, and paint at repairs as needed.			

Scope: # 18			
Building Feature: Existing Steel Seismic Roof Bracing – Roof and Parapet			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$12,330.00			
Description of work: Repair as needed. Prepare, prime, and paint steel seismic roof bracing every 10 years, or as needed.			

Scope: # 19			
Building Feature: Elevator Penthouse – Roof			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$756.00			
Description of work: Inspect annually and repair glass, glazing putty/sealant, metal skylight components, and metal cladding as needed.			

Scope: # 20			
Building Feature: Elevator Penthouse – Roof			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter.			
Total Cost: \$22,194.00			
Description of work: Repair as needed. Prepare, prime, and paint glazing putty, metal skylight, and metal cladding every 10 years, or as needed.			

Maintenance Plan

Scope: # 21			
Building Feature: Brick/Masonry – Basement Floor (Interior face of bearing wall/foundation wall)			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$1,973.00			
Description of work: Perform visual inspection annually for signs of moisture, efflorescence, and deterioration, including signs of corrosion at steel elements. Clean and repair as needed. Prepare, prime, and paint steel as needed.			

Scope: # 22			
Building Feature: Brick/Masonry – Basement Floor (Interior face of bearing wall/foundation wall)			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029			
Total Cost: \$19,728.00			
Description of work: Prepare, prime, and paint steel elements as needed.			

Scope: # 23			
Building Feature: Wood Windows – Kearny/Pine/and West Elevations			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$1,512.00			
Description of work: Perform visual inspection annually for paint, glazing putty/sealant, and perimeter sealant failure and other signs of deterioration. Maintain sash cords/hardware, weeps in west windows, and repair as needed.			

Scope: #24			
Building Feature: Wood Windows – Kearny/Pine/and West Elevations			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$13,152.00			
Description of work: Prepare, prime, and paint wood windows, and install new perimeter sealant every 10 years or as needed.			

Scope: # 25			
Building Feature: Cement Plaster – West Elevation			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$2,269.00			
Description of work: Perform visual inspection annually for paint failure as well as other signs of deterioration including cracking, spalling, etc. Repair as needed.			

Scope: # 26			
Building Feature: Cement Plaster – West Elevation			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$17,059.00			
Description of work: Prepare, prime, and paint cement plaster every 10 years or as needed.			

Maintenance Plan

Scope: # 27			
Building Feature: Kearny/Pine Street Storefront			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$1,512.00			
Description of work: Perform visual inspection of the two southernmost entries annually for paint, glazing putty/sealant, and perimeter sealant failure and other signs of deterioration. Maintain hardware and weeps where occurs, and repair as needed.			

Scope: # 28			
Building Feature: Kearny/Pine Street Storefront			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$14,928.00			
Description of work: Prepare, prime, and paint painted wood components, and install new perimeter sealant every 10 years or as needed at the two southernmost entries			

Scope: # 29			
Building Feature: Brick/Masonry – Kearny/Pine Elevations			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$3,978.00			
Description of work: Perform visual inspection annually of brick masonry and cementitious parge for cracking, spalling, and signs of deterioration including mortar joints. If façade remains painted, inspect for signs of peeling and deterioration at paint coating as well. Repair and repaint as needed.			

Scope: # 30			
Building Feature: Brick/Masonry – Kearny/Pine Elevations			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$40,424.00			
Description of work: Prepare, prime, and repaint painted brick with appropriate breathable coating and every 10 years thereafter or as needed.			

Scope: # 31			
Building Feature: Sheet Metal Cornice and Watertable Banding – Kearny/Pine Elevations			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$822.00			
Description of work: Perform visual inspection annually of sheet metal cornice and watertable banding for signs of peeling paint, corrosion, or other deterioration. Repair and repaint as needed.			

Maintenance Plan

Scope: # 32			
Building Feature: Sheet Metal Cornice and Watertable Banding – Kearny/Pine Elevations			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$8,220.00			
Description of work: Remove corrosion, prepare, prime, and paint sheet metal elements and every 10 years or as needed. Repair metal substrate as needed.			

Scope: # 33			
Building Feature: Metal Window Lintels – Kearny/Pine Elevations			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$1,233.00			
Description of work: Perform visual inspection annually of metal lintels for signs of peeling paint, corrosion, or other deterioration. Repair and repaint as needed.			

Scope: # 34			
Building Feature: Metal Window Lintels – Kearny/Pine Elevations			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$6,576.00			
Description of work: Remove corrosion, prepare, prime, and paint metal lintels and every 10 years or as needed. Repair metal substrate as needed.			

Scope: # 35			
Building Feature: Metal Fire Escape – Pine Street Elevation			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$493.00			
Description of work: Perform visual inspection annually of fire escape for signs of peeling paint, corrosion, or other deterioration. Inspect as needed for code compliance. Repair and repaint as needed.			

Scope: # 36			
Building Feature: Metal Fire Escape – Pine Street Elevation			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$5,918.00			
Description of work: Remove corrosion, prepare, prime, and paint metal fire escape and every 10 years or as needed. Repair metal substrate as needed.			

Maintenance Plan

Scope: # 37					
Building Feature: Elevator and Stair – Interior					
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed	Proposed	<input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter.					
Total Cost: \$1,841.00					
Description of work:					
Perform inspection annually and maintain elevator equipment and operation.					



SAN FRANCISCO PLANNING DEPARTMENT

Mills Act Historical Property Contracts Case Report

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Hearing Date: October 3, 2018
Staff Contact: Shannon Ferguson – (415) 575-9074
shannon.ferguson@sfgov.org
Reviewed By: Tim Frye – (415) 575-6822
tim.frye@sfgov.org

- a.** *Filing Date:* May 1, 2018
Case No.: 2018-006629MLS
Project Address: **2253 Webster Street** (District 2)
Landmark District: Contributor to the Webster Street Historic District
Zoning: RH-2 (Residential-House, Two-Family District)
Height & Bulk: 40-X
Block/Lot: 0612/001
Applicant: Virginia Hong Revoc Living Trust
2253 Webster Street
San Francisco, CA 94115
- b.** *Filing Date:* May 1, 2018
Case No.: 2018-006717MLS
Project Address: **353 Kearny Street** (District 3)
Landmark District: Category IV–Contributory Building to Kearny-Market-Mason-Sutter
Conservation District
Zoning: C-3-O – Downtown-Office
Height and Bulk: 80-130-F
Block/Lot: 0270/001
Applicant: Pine Kearny LLC
590 Pacific Avenue
San Francisco, CA 94133
- c.** *Filing Date:* May 1, 2018
Case No.: 2018-006796MLS
Project Address: **465-467 Oak Street** (District 5)
Landmark District: Contributor to the California Register of Historical Places-listed
Hayes Valley Residential Historic District
Zoning: RTO (Residential Transit Oriented District)
Height and Bulk: 40-X
Block/Lot: 0840/017
Applicant: Joseph E & Jennifer A Laska Jnt Lvg Trust
467 Oak Street
San Francisco, CA 94102

**Mill Act Applications
October 3, 2018**

2018-006629MLS (2253 Webster Street); 2018-006717MLS (353 Kearny Street);
2018006796MLS (465-467 Oak Street); 2018-006690MLS (587 Waller Street); 2018-
006794MLS (354-356 San Carlos Street); 2018-007338MLS (811 Treat Avenue)

- d. *Filing Date:* May 1, 2018
Case No.: 2018-006690MLS
Project Address: **587 Waller Street** (District 8)
Landmark District: Contributing building to Duboce Park Historic District
Zoning: RTO (Residential Transit Oriented District)
Height and Bulk: 40-X
Block/Lot: 0865/021
Applicant: Christopher Hansten & June Kwon
4658 18th St. PH
San Francisco, CA 94114

- e. *Filing Date:* May 1, 2017
Case No.: 2018-006794MLS
Project Address: **354-356 San Carlos Street** (District 9)
Landmark District: Contributor to Liberty Hill Historic District
Zoning: RTO-M – Residential Transit Oriented - Mission
Height and Bulk: 40-X
Block/Lot: 3609/093
Applicant: Joyjit & Preetha Nath
354 San Carlos Street
San Francisco, CA 94110

- f. *Filing Date:* May 1, 2017
Case No.: 2018-007338MLS
Project Address: **811 Treat Avenue** (District 9)
Landmark District: Individually listed on the National Register of Historic Places
Zoning: RH-3 – Residential-House, Three Family
Height and Bulk: 40-X
Block/Lot: 3613/053
Applicant: Golden Gate Properties LLC
2170 Sutter Street
San Francisco, CA 94115

PROPERTY DESCRIPTIONS

- a. **2253 Webster Street:** The subject property is located on the west side of Webster Street between Washington and Clay streets, Assessor’s Block 0612, Lot 001. The subject property is located within a RH-2 (Residential-House, Two-Family District) zoning district and a 40-X Height and Bulk district. The subject property is a contributing building to the Webster Street Historic District. It is a two-story, plus basement, wood-frame, single-family dwelling designed in the Italianate style and built in circa 1900.

- b. **353 Kearny Street:** The subject property is located on the southwest corner of Kearny and Pine streets, Assessor's Block 0270, Lot 001. The subject property is located within the C-3-O – Downtown-Office zoning district and a 80-130-F Height and Bulk district. The subject property is a Category IV – Contributory Building to Kearny-Market-Mason-Sutter Conservation District. It is a five-story over basement, brick masonry, commercial building designed in the Renaissance-Revival style by San Francisco architectural firm Salfield & Kohlberg and was built in 1907.
- c. **465 Oak Street:** The subject property is located on the south side of Oak Street between Buchanan and Laguna streets, Assessor's Block 0840, Lot 017. The subject property is located within a RTO (Residential Transit Oriented District) zoning district and a 40-X Height and Bulk district. The subject property is a contributing building to the California Register of Historical Places- listed Hayes Valley Residential Historic District. It is a two-story plus basement, wood-frame, two-family dwelling designed in the flat-front Italianate style and built in circa 1900.
- d. **587 Waller Street:** The subject property is located on the south side of Waller Street between Pierce and Potomac streets, Assessor's Block 0865 Lot 021. The subject property is located within a RTO (Residential Transit Oriented District) zoning district and a 40-X Height and Bulk district. The subject property is a contributing building to the Duboce Park Historic District. It is a two-and-half-story plus basement, wood-frame, single-family dwelling designed in the Queen Anne style and built in circa 1900.
- e. **354-356 San Carlos Street:** The subject property is located on the west side of San Carlos Street between 20th and 21st streets, Assessor's Block 3609, Lot 093. The subject property is located within the RTO-M – Residential Transit Oriented - Mission zoning district and 40X Height and Bulk district. The subject property is a potential contributor to Liberty Hill Historic District. It is a three-story wood-frame, two-family residential building originally designed in the Italianate style and was built in 1877 by The Real Estate Associates (T.R.E.A.). The front façade was altered with stucco cladding, stuccoed front steps, and vinyl windows at an unknown date. Rehabilitation work was completed in 2015-2016.
- f. **811 Treat Avenue:** The subject property is located on the east side of San Carlos Street between 21st and 22nd streets, Assessor's Block 3613, Lot 053. The subject property is located within the RH-3 – Residential-House, Three Family zoning district and 40X Height and Bulk district. The subject property is individually listed on the National Register of Historic Places. Known as the Henry Geilfuss House, the property comprises an Italianate main residence designed by local master architect Henry Geilfuss circa 1882 as his personal residence; a raised room (c. 1882, altered c. 1900); a workshop (c. 1920) and a garage (c. 1940). The main residence and raised room are contributing features; the workshop and garage are non-contributing features that were added after Geilfuss moved from the property.

PROJECT DESCRIPTION

This project is a Mills Act Historical Property Contract application.

Mill Act Applications
October 3, 2018

2018-006629MLS (2253 Webster Street); 2018-006717MLS (353 Kearny Street);
2018006796MLS (465-467 Oak Street); 2018-006690MLS (587 Waller Street); 2018-
006794MLS (354-356 San Carlos Street); 2018-007338MLS (811 Treat Avenue)

MILLS ACT REVIEW PROCESS

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

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

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

MILLS ACT REVIEW PROCEDURES

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

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

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

APPLICABLE PRESERVATION STANDARDS

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

TERM

Mills Act contracts must be made for a minimum term of ten years. The ten-year period is automatically renewed by one year annually to create a rolling ten-year term. One year is added automatically to the initial term of the contract on the anniversary date of the contract, unless notice of nonrenewal is given or

**Mill Act Applications
October 3, 2018**

2018-006629MLS (2253 Webster Street); 2018-006717MLS (353 Kearny Street);
2018006796MLS (465-467 Oak Street); 2018-006690MLS (587 Waller Street); 2018-
006794MLS (354-356 San Carlos Street); 2018-007338MLS (811 Treat Avenue)

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

ELIGIBILITY

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

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

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

Residential Buildings

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

Commercial, Industrial or Mixed Use Buildings

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

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

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

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

Mill Act Applications
October 3, 2018

2018-006629MLS (2253 Webster Street); 2018-006717MLS (353 Kearny Street);
2018006796MLS (465-467 Oak Street); 2018-006690MLS (587 Waller Street); 2018-
006794MLS (354-356 San Carlos Street); 2018-007338MLS (811 Treat Avenue)

PUBLIC/NEIGHBORHOOD INPUT

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

STAFF ANALYSIS

The Department received six Mills Act applications by the May 1, 2018 filing date. The Project Sponsors, Planning Department Staff, and the Office of the City Attorney have negotiated the six attached draft historical property contracts, which include a draft rehabilitation and maintenance plan for the historic building. Department Staff believes the draft historical property contracts and plans are adequate. Please see below for complete analysis.

- a. **2253 Webster Street:** As detailed in the Mills Act application, the applicant proposes to rehabilitate and maintain the historic property. Staff determined that the proposed work, detailed in the attachments, is consistent with the Secretary of Interior's Standards for Rehabilitation.

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

The applicant completed some rehabilitation of the building in 2017, including dry rot repair and painting with an estimated cost of \$75,270. The proposed Rehabilitation Plan includes flashing replacement, roof repair and replacement, additional dry rot repair, installing new compatible handrail, replacing the front door in-kind. Rehabilitation work is estimated to cost \$87,364.31 over ten years.

The proposed Maintenance Plan includes annual inspection of the wood siding, windows, roof, front porch and door. Maintenance work is estimated to cost \$3,500 annually. Any needed repairs will be made in kind and will avoid altering, removing or obscuring character-defining features of the building.

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

- b. **353 Kearny Street:** As detailed in the Mills Act application, the applicant proposes to rehabilitate and maintain the historic property. Staff determined that the proposed work, detailed in the attachments, is consistent with the Secretary of Interior's Standards for Rehabilitation.

The subject property is currently valued by the Assessor's Office at over \$3,000,000 (see attached Market Analysis and Income Approach reports). The subject property qualifies for an exemption as it is designated as a Category IV – Contributory Building to Kearny-Market-Mason-Sutter Conservation District under Article 11 of the Planning Code. A Historic Structure Report was

required in order to demonstrate that granting the exemption would assist in the preservation of a property that might otherwise be in danger of demolition or substantial alterations

The proposed Rehabilitation Plan includes roof replacement, parapet bracing, elevator penthouse repair, brick repair and repointing at the façade and basement under sidewalk, repair and in-kind replacement of wood windows, plaster repair at rear façade, sheet metal cornice repair or in-kind replacement, fire escape repair, historic elevator and stair repair, storefront repair and replacement. Rehabilitation work is estimated to cost \$1,091,077 over ten years.

The proposed Maintenance Plan includes annual inspection of roof, parapet bracing, elevator penthouse, basement, wood windows, brick and plaster facades, storefronts, sheet metal cornice,, and fire escape with in-kind repair of any deteriorated elements as necessary. Maintenance work is estimated to cost \$23,694 annually. Any needed repairs will be made in kind and will avoid altering, removing or obscuring character-defining features of the building.

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

- c. 465-467 Oak Street: As detailed in the Mills Act application, the applicant proposes to rehabilitate and maintain the historic property. Staff determined that the proposed work, detailed in the attachments, is consistent with the Secretary of Interior's Standards for Rehabilitation.

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

The applicant completed rehabilitation work to the building in 2017, including wood window repair, exterior painting, brick chimney repair at an estimated cost of \$6963.28. The proposed Rehabilitation Plan includes seismic upgrade, roof replacement, rear stair and balcony replacement, and exterior repainting. Rehabilitation work is estimated to cost \$369,600 over ten years.

The proposed Maintenance Plan includes annual inspection of roof, gutters and downspouts, windows, doors, front steps and porch, and wood siding a trim. Any needed repairs will be made in kind and will avoid altering, removing or obscuring character-defining features of the building. Maintenance work is estimated to cost approximately \$2,000 annually.

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

- d. **587 Waller Street:** As detailed in the Mills Act application, the applicant proposes to rehabilitate and maintain the historic property. Staff determined that the proposed work, detailed in the attachments, is consistent with the Secretary of Interior's Standards for Rehabilitation.

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

The proposed Rehabilitation Plan includes seismic and foundation work, roof replacement, front façade restoration, window replacement, and front steps and porch restoration. Rehabilitation work is estimated to cost \$337,400 over ten years.

The proposed Maintenance Plan includes annual inspection of gutters and downspouts, windows, front steps and porch, front façade, and roof. Any needed repairs resulting from inspection will be made in kind and will avoid altering, removing or obscuring character-defining features of the building. Maintenance work is estimated to cost approximately \$1,300 annually.

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

- e. **354-356 San Carlos Street:** As detailed in the Mills Act application, the applicant proposes to rehabilitate and maintain the historic property. Staff determined that the proposed work, detailed in the attachments, is consistent with the Secretary of Interior's Standards for Rehabilitation and Preservation.

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

The applicant completed substantial rehabilitation work to the property in 2016, including front façade restoration, window replacement, exterior painting, front stair replacement, and foundation and structural work at an estimated cost of \$317,000. The proposed Rehabilitation Plan includes roof replacement. Rehabilitation work is estimated to cost \$50,000 over ten years.

The proposed Maintenance Plan includes annual inspection of the roof, gutters and drains, windows, foundation and structure, stairs. Annual inspection of the siding and trim will occur every five years. Any needed repairs resulting from inspection will be made in kind and will avoid altering, removing or obscuring character-defining features of the building. Maintenance work is estimated to cost approximately \$1,600 annually.

No changes to the use of the property are proposed. Please refer to the attached Rehabilitation and Maintenance Plan for a full description of the proposed work. The attached draft historical

property contract will help the applicant mitigate these expenditures and will induce the applicant to maintain the property in excellent condition in the future.

- f. **811 Treat Avenue:** As detailed in the Mills Act application, the applicant proposes to rehabilitate and maintain the historic property. Staff determined that the proposed work, detailed in the attachments, is consistent with the Secretary of Interior's Standards for Rehabilitation and Preservation.

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

The proposed Rehabilitation Plan includes siding and trim repair and repainting, incompatible garage door replacement, door repair and decorative glass replacement, and roof replacement. Rehabilitation work is estimated to cost \$67,000 over ten years.

The proposed Maintenance Plan includes annual inspection of the foundation, roof, gutters, drains, windows, doors, and stairs and porch. Inspection of the siding and trim will occur every five years. Any needed repairs resulting from inspection will be made in kind and will avoid altering, removing or obscuring character-defining features of the building. Maintenance work is estimated to cost approximately \$2,100 annually.

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

ASSESSOR-RECORDER INFORMATION

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

- a) **2253 Webster Street:** Estimated Property Tax Savings of \$13,750 (a 54.73% reduction from factored base year value)
- b) **353 Kearny Street:** Estimated Property Tax Savings of \$26,963 (a 33.82% reduction from factored base year value)
- c) **465 Oak Street:** Estimated Property Tax Savings of \$16,250 (a 52.98% reduction from factored base year value)
- d) **587 Waller Street:** Estimated Property Tax Savings of \$16,412 (a 58.33% reduction from factored base year value)

**Mill Act Applications
October 3, 2018**

2018-006629MLS (2253 Webster Street); 2018-006717MLS (353 Kearny Street);
2018006796MLS (465-467 Oak Street); 2018-006690MLS (587 Waller Street); 2018-
006794MLS (354-356 San Carlos Street); 2018-007338MLS (811 Treat Avenue)

- e) **354-356 San Carlos Street:** Estimated Property Tax Savings: \$4,532 (a 25.05% reduction from factored base year value).
- f) **811 Treat Avenue:** Estimated Property Tax Savings: \$368 (a 2.20% reduction from factored base year value).

PLANNING DEPARTMENT RECOMMENDATION

- The Planning Department recommends that the Historic Preservation Commission adopt a resolution recommending **approval** of the Mills Act Historical Property Contracts and Rehabilitation and Maintenance Plans to the Board of Supervisors for the following properties:
 - a. 2253 Webster Street
 - b. 353 Kearny Street
 - c. 465 Oak Street
 - d. 587 Waller Street
 - e. 354-356 San Carlos Street
 - f. 811 Treat Avenue

ISSUES AND OTHER CONSIDERATIONS

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

HISTORIC PRESERVATION COMMISSION ACTIONS

Review and adopt a resolution for each property:

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

Attachments:

- a. **2253 Webster Street:**
 - Draft Resolution
 - Draft Mills Act Historical Property Contract
 - Draft Rehabilitation Program & Maintenance Plan
 - Draft Mills Act Valuation provided by the Assessor-Recorder's Office
 - Pre-Approval Inspection Report
 - Mills Act Application

Mill Act Applications

October 3, 2018

2018-006629MLS (2253 Webster Street); 2018-006717MLS (353 Kearny Street);
2018006796MLS (465-467 Oak Street); 2018-006690MLS (587 Waller Street); 2018-
006794MLS (354-356 San Carlos Street); 2018-007338MLS (811 Treat Avenue)

b. 353 Kearny Street:

Draft Resolution
Draft Mills Act Historical Property Contract
Draft Rehabilitation Program & Maintenance Plan
Draft Mills Act Valuation provided by the Assessor-Recorder's Office
Pre-Approval Inspection Report
Mills Act Application
Historic Structure Report

c. 465-467 Oak Street:

Draft Resolution
Draft Mills Act Historical Property Contract
Draft Rehabilitation Program & Maintenance Plan
Draft Mills Act Valuation provided by the Assessor-Recorder's Office
Pre-Approval Inspection Report
Mills Act Application

d. 587 Waller Street:

Draft Resolution
Draft Mills Act Historical Property Contract
Draft Rehabilitation Program & Maintenance Plan
Draft Mills Act Valuation provided by the Assessor-Recorder's Office
Pre-Approval Inspection Report
Mills Act Application

e. 354-356 San Carlos Street:

Draft Resolution
Draft Mills Act Historical Property Contract
Draft Rehabilitation Program & Maintenance Plan
Draft Mills Act Valuation provided by the Assessor-Recorder's Office
Pre-Approval Inspection Report
Mills Act Application

f. 811 Treat Avenue:

Draft Resolution
Draft Mills Act Historical Property Contract
Draft Rehabilitation Program & Maintenance Plan
Draft Mills Act Valuation provided by the Assessor-Recorder's Office
Pre-Approval Inspection Report
Mills Act Application



SAN FRANCISCO PLANNING DEPARTMENT

Historic Preservation Commission Resolution No. 990 HEARING DATE OCTOBER 3, 2018

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Case No.: 2018-006717MLS
Project Address: 353 Kearny Street (District 3)
Landmark District: Category IV–Contributory Building to
Kearny-Market-Mason-Sutter Conservation District
Zoning: C-3-O – Downtown-Office
Height and Bulk: 80-130-F
Block/Lot: 0270/001
Staff Contact: Shannon Ferguson – (415) 575-9074
shannon.ferguson@sfgov.org
Reviewed By: Tim Frye – (415) 575-6822
tim.frye@sfgov.org

ADOPTING FINDINGS RECOMMENDING TO THE BOARD OF SUPERVISORS APPROVAL OF THE MILLS ACT HISTORICAL PROPERTY CONTRACT, REHABILITATION PROGRAM, AND MAINTENANCE PLAN FOR 353 KEARNY STREET:

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

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

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

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

WHEREAS, The existing building located at 353 Kearny Street is listed under Article 11 of the San Francisco Planning Code as a Category IV–Contributory Building to the Kearny-Market-Mason-Sutter Conservation District and thus qualifies as a historic property; and

WHEREAS, The Planning Department has reviewed the Mills Act Application, Historical Property Contract, Historical Property Contract, Rehabilitation Program, and Maintenance Plan for 353 Kearny

Street, which are located in Case Docket No. 2018-006717MLS. The Planning Department recommends approval of the Mills Act historical property contract, rehabilitation program, and maintenance plan; and

WHEREAS, The Historic Preservation Commission (HPC) recognizes the historic building at 353 Kearny Street as an historical resource and believes the Rehabilitation Program and Maintenance Plan are appropriate for the property; and

WHEREAS, At a duly noticed public hearing held on October 3, 2018, the Historic Preservation Commission reviewed documents, correspondence and heard oral testimony on the Mills Act Application, Historical Property Contract, Rehabilitation Program, and Maintenance Plan for 353 Kearny Street, which are located in Case Docket No. 2018-006717MLS.

THEREFORE BE IT RESOLVED that the Historic Preservation Commission hereby recommends that the Board of Supervisors approve the Mills Act Historical Property Contract, including the Rehabilitation Program, and Maintenance Plan for the historic building located at 353 Kearny, attached herein as Exhibits A and B, and fully incorporated by this reference.

BE IT FURTHER RESOLVED That the Historic Preservation Commission hereby directs its Commission Secretary to transmit this Resolution, the Mills Act Historical Property Contract, including the Rehabilitation Program, and Maintenance Plan for 353 Kearny, and other pertinent materials in the case file 2018-006717MLS to the Board of Supervisors.

I hereby certify that the foregoing Resolution was ADOPTED by the Historic Preservation Commission on October 3, 2018.



Jonas P. Ionin
Commissions Secretary

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

NOES: None

ABSENT: Johnck

ADOPTED: October 3, 2018

REHABILITATION/RESTORATION & MAINTENANCE PLAN

All pricing below has been prepared by J.R. Conkey & Associates.

Rehabilitation/Restoration Plan

Scope: # 1			
Building Feature: Roofing Membrane/Membrane Flashing/Sheet Metal Flashing – Roof & Parapet			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019 and every 20 years thereafter			
Total Cost: \$111,269.00			
Description of work: Replace roofing membrane and associated sheet metal flashing at roof surfaces and parapet. Confirm proper roof slope and drainage for new roof. Repair/replace through-wall scupper as needed. Provide for additional roof drains/overflows to meet code if needed. Follow recommendations of waterproofing consultant.			

Scope: # 2			
Building Feature: Existing Steel Seismic Roof Bracing – Roof & Parapet			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$10,686.00			
Description of work: Inspect to ensure all ties are secure at parapets. Repair as needed. Prepare, prime, and paint.			

Scope: # 3			
Building Feature: Elevator Penthouse – Roof			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$78,481.00			
Description of work: Repair elevator penthouse cladding where removed or damaged. Replace exposed plywood substrate as needed and provide new similar sheet metal paneling to meet new roofing system. Repair existing where feasible. Replace missing door to elevator penthouse for weather resistance, safety, and security. Clean out debris and bird guano, etc. from open/exposed penthouse as needed for proper operation and maintenance of historic elevator. Repair/replace glazing putty/sealant at rooftop skylight as needed. Replace broken/cracked glass as needed. Prepare, prime, and paint glazing putty, metal skylight, and sheet metal at elevator penthouse.			

Scope: # 4			
Building Feature: Brick/Masonry – 4th and 5th Floors South Wall and Southwest Corner (Interior of brick wall)			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$6,576.00			
Description of work: Remove efflorescence and soft/deteriorated mortar caused by moisture infiltration. Spot repoint as needed with compatible/appropriate mortar that matches original in color, texture, and appearance where mortar is deteriorated, loose, unsound, or missing. (Although this area is interior, moisture infiltration is coming from the roof and exterior side of the wall).			

Rehabilitation/Restoration Plan

Scope: # 5				
Building Feature: Brick/Masonry – Basement Floor (Interior face of bearing wall/foundation wall at area under sidewalk)				
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed	Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019				
Total Cost: \$17,328.00				
Description of work: Investigate source of moisture. Brush or vacuum to remove efflorescence and repair/repoint brick as needed with compatible/appropriate mortar, especially where deeply eroded/recessed. Treat exposed steel where corroded, and prepare, prime, and paint.				

Scope: # 6				
Building Feature: Wood Windows – Kearny/Pine Elevations				
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed	Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019				
Total Cost: \$125,995.00				
Description of work: Inspect and repair wood windows as needed. Repair deteriorated wood, and replace deteriorated glazing putty as needed. Replace cracked/broken/missing glass. Prepare, prime, and paint. Check sealant at perimeter of frame to masonry and replace if needed. Clean, repair/replace broken/missing hardware, and replace sash cords as needed to allow for proper operation.				

Scope: # 7				
Building Feature: Cement Plaster – West Elevation				
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed	Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019				
Total Cost: \$131,385.00				
Description of work: Survey and remove deteriorated, unsound, debonded, missing, and cracked cement plaster. Repair substrate as needed and repair and patch cement plaster to match existing adjacent. Remove biological growth at facade by appropriate cleaning using gentle means such as warm water/detergent wash and biocide application. Treat steel exposed during the process, particularly at window heads, and prepare, prime, and paint. Prepare, prime, and repaint cement plaster with appropriate breathable paint.				

Scope: # 8				
Building Feature: Wood Windows – West Elevations				
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed	Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019				
Total Cost: \$132,325.00				
Description of work: Replace missing (removed by previous owner) windows with new compatible wood windows similar to historic in appearance, including sash, frame, and trim.				

Rehabilitation/Restoration Plan

Scope: # 9			
Building Feature: Brick/Masonry – Kearny/Pine Elevations			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed
			Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$114,583.00			
Description of work: Consider removing paint from brick pending testing and feasibility, and clean masonry. Remove and clean roofing material from face of parapet. Inspect and repair masonry, and repoint where needed with compatible/appropriate mortar that matches original in color, texture, and appearance where mortar is deteriorated, loose, unsound, or missing. Treat ferrous corrosion where occurs, and prepare, prime, & paint where metal is exposed. Inspect and repair/replace deteriorated parge coat at window sills as needed with appropriate compatible parge. If testing and feasibility of paint removal prove to be inappropriate or prohibitive, prepare, prime, and repaint brick with appropriate breathable coating and every 10 years thereafter or as needed. All work to comply with the NPS Preservation Briefs #1, #2 and #47.			

Scope: # 10			
Building Feature: Sheet Metal Cornice and Watertable Banding – Kearny/Pine Elevations			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed
			Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$75,131.00			
Description of work: Repair or replace deteriorated sheet metal elements to match original at cornice and watertable banding. Patch where possible. Remove corrosion, prepare, prime, and paint and every 10 years thereafter or as needed.			

Scope: # 11			
Building Feature: Metal Window Lintels – Kearny/Pine Elevations			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed
			Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$32,880.00			
Description of work: Remove corrosion, prepare, prime, and paint and every 10 years thereafter or as needed. Repair substrate as needed.			

Scope: # 12			
Building Feature: Metal Fire Escape – Pine Street Elevation			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed
			Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$3,452.00			
Description of work: Inspect fire escape to comply with codes as needed. Repair deteriorated metal as needed. Remove corrosion, prepare, prime, and paint.			

Rehabilitation/Restoration Plan

Scope: # 13			
Building Feature: Elevator and Stair (Structurally Connected System) – Interior			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$986.00			
Description of work: Reattach loose elements and make general repairs/stabilize at interior stair and elevator.			

Scope: # 14			
Building Feature: Kearny/Pine Street Storefront – Replacement/Rehabilitation			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029			
Total Cost: \$250,000.00			
Description of work: Remove non-historic portions of the two southernmost entries to install a new more compatible storefront system. Remove non-original marble and rehabilitate brick if feasible or replace with a more compatible cladding. Retain and rehabilitate the historic wood transoms. Consideration should be given to ADA compliance requirements.			

Maintenance Plan

Scope: # 15			
Building Feature: Roofing Membrane/Membrane Flashing/Sheet Metal Flashing – Roof and Parapet			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$2,406.00			
Description of work: Inspect annually and repair as needed, including scuppers and roof drains. Clean scuppers and roof drains annually and as needed.			

Scope: # 16			
Building Feature: Roofing Membrane/Membrane Flashing/Sheet Metal Flashing – Roof and Parapet			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$32,995.00			
Description of work: Repair as needed. Prepare, prime, and paint sheet metal every 10 years, or as needed.			

Scope: # 17			
Building Feature: Existing Steel Seismic Roof Bracing – Roof and Parapet			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$4,899.00			
Description of work: Inspect annually and repair as needed. Prepare, prime, and paint at repairs as needed.			

Scope: # 18			
Building Feature: Existing Steel Seismic Roof Bracing – Roof and Parapet			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$12,330.00			
Description of work: Repair as needed. Prepare, prime, and paint steel seismic roof bracing every 10 years, or as needed.			

Scope: # 19			
Building Feature: Elevator Penthouse – Roof			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$756.00			
Description of work: Inspect annually and repair glass, glazing putty/sealant, metal skylight components, and metal cladding as needed.			

Scope: # 20			
Building Feature: Elevator Penthouse – Roof			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter.			
Total Cost: \$22,194.00			
Description of work: Repair as needed. Prepare, prime, and paint glazing putty, metal skylight, and metal cladding every 10 years, or as needed.			

Maintenance Plan

Scope: # 21			
Building Feature: Brick/Masonry – Basement Floor (Interior face of bearing wall/foundation wall)			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$1,973.00			
Description of work: Perform visual inspection annually for signs of moisture, efflorescence, and deterioration, including signs of corrosion at steel elements. Clean and repair as needed. Prepare, prime, and paint steel as needed.			

Scope: # 22			
Building Feature: Brick/Masonry – Basement Floor (Interior face of bearing wall/foundation wall)			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029			
Total Cost: \$19,728.00			
Description of work: Prepare, prime, and paint steel elements as needed.			

Scope: # 23			
Building Feature: Wood Windows – Kearny/Pine/and West Elevations			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$1,512.00			
Description of work: Perform visual inspection annually for paint, glazing putty/sealant, and perimeter sealant failure and other signs of deterioration. Maintain sash cords/hardware, weeps in west windows, and repair as needed.			

Scope: #24			
Building Feature: Wood Windows – Kearny/Pine/and West Elevations			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$13,152.00			
Description of work: Prepare, prime, and paint wood windows, and install new perimeter sealant every 10 years or as needed.			

Scope: # 25			
Building Feature: Cement Plaster – West Elevation			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$2,269.00			
Description of work: Perform visual inspection annually for paint failure as well as other signs of deterioration including cracking, spalling, etc. Repair as needed.			

Scope: # 26			
Building Feature: Cement Plaster – West Elevation			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$17,059.00			
Description of work: Prepare, prime, and paint cement plaster every 10 years or as needed.			

Maintenance Plan

Scope: # 27				
Building Feature: Kearny/Pine Street Storefront				
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed	Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter				
Total Cost: \$1,512.00				
Description of work: Perform visual inspection of the two southernmost entries annually for paint, glazing putty/sealant, and perimeter sealant failure and other signs of deterioration. Maintain hardware and weeps where occurs, and repair as needed.				

Scope: # 28				
Building Feature: Kearny/Pine Street Storefront				
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed	Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter				
Total Cost: \$14,928.00				
Description of work: Prepare, prime, and paint painted wood components, and install new perimeter sealant every 10 years or as needed at the two southernmost entries				

Scope: # 29				
Building Feature: Brick/Masonry – Kearny/Pine Elevations				
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed	Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter				
Total Cost: \$3,978.00				
Description of work: Perform visual inspection annually of brick masonry and cementitious parge for cracking, spalling, and signs of deterioration including mortar joints. If façade remains painted, inspect for signs of peeling and deterioration at paint coating as well. Repair and repaint as needed.				

Scope: # 30				
Building Feature: Brick/Masonry – Kearny/Pine Elevations				
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed	Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter				
Total Cost: \$40,424.00				
Description of work: Prepare, prime, and repaint painted brick with appropriate breathable coating and every 10 years thereafter or as needed.				

Scope: # 31				
Building Feature: Sheet Metal Cornice and Watertable Banding – Kearny/Pine Elevations				
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed	Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter				
Total Cost: \$822.00				
Description of work: Perform visual inspection annually of sheet metal cornice and watertable banding for signs of peeling paint, corrosion, or other deterioration. Repair and repaint as needed.				

Maintenance Plan

Scope: # 32			
Building Feature: Sheet Metal Cornice and Watertable Banding – Kearny/Pine Elevations			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$8,220.00			
Description of work: Remove corrosion, prepare, prime, and paint sheet metal elements and every 10 years or as needed. Repair metal substrate as needed.			

Scope: # 33			
Building Feature: Metal Window Lintels – Kearny/Pine Elevations			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$1,233.00			
Description of work: Perform visual inspection annually of metal lintels for signs of peeling paint, corrosion, or other deterioration. Repair and repaint as needed.			

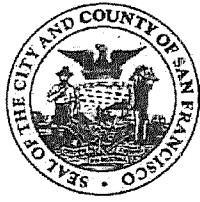
Scope: # 34			
Building Feature: Metal Window Lintels – Kearny/Pine Elevations			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$6,576.00			
Description of work: Remove corrosion, prepare, prime, and paint metal lintels and every 10 years or as needed. Repair metal substrate as needed.			

Scope: # 35			
Building Feature: Metal Fire Escape – Pine Street Elevation			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$493.00			
Description of work: Perform visual inspection annually of fire escape for signs of peeling paint, corrosion, or other deterioration. Inspect as needed for code compliance. Repair and repaint as needed.			

Scope: # 36			
Building Feature: Metal Fire Escape – Pine Street Elevation			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$5,918.00			
Description of work: Remove corrosion, prepare, prime, and paint metal fire escape and every 10 years or as needed. Repair metal substrate as needed.			

Maintenance Plan

Scope: # 37					
Building Feature: Elevator and Stair – Interior					
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed	Proposed	<input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter.					
Total Cost: \$1,841.00					
Description of work:					
Perform inspection annually and maintain elevator equipment and operation.					



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



353-359 Kearny Street

OFFICE OF THE ASSESSOR / RECORDER - CITY & COUNTY OF SAN FRANCISCO

CHANGE IN OWNERSHIP

APN: 0270-001
Address: 353-359 Kearny St
Type of Event: Mills Act Application
Event Date: 7/1/2018

Tax Year: 2018/19
Date of Value: 7/1/2018
Sale Date: 2/28/2018
Sale Price: \$6,800,000
Sale Price/SF: \$699

ROLL VALUE		INCOME APPROACH		SALES COMPARISON APPROACH	
Land	\$4,760,000	Land	\$2,250,000	Land	\$3,600,000
Improvements	\$2,040,000	Improvements	\$2,250,000	Improvements	\$3,600,000
Total	\$6,800,000	Total	\$4,500,000	Total	\$7,200,000
	PSF \$699		PSF \$463		PSF \$740

I. Property Description

Neighborhood: Financial District North **Present Use:** Commercial Office **Year Built:** 1907
Land Area: 1,998 **NRA (SF):** 9,729 **Stories:** 5
Zoning: C-3-0 - Downtown Office **Parking:** None **Quality & Class:** Below Average / B

II. Comment(s):

The subject is a mixed use building that has approximately 9,729 square feet of net rentable area. The property was recently purchased in March 2018 for \$6.8M. As of the current event date, the ground floor commercial space is fully leased to two restaurant tenants and the upper floor office space has a signed lease which hasn't commenced yet. The lease will commence 18 months following the delivery date by the landlord who will reportedly spend approximately \$1.1M in renovation costs on the building. After which, the office tenant has an improvement allowance of approximately \$1.6M from the landlord to build-out the four floors of office area to coworking style office space.

III. Conclusions and Recommendations:

	Per SF	Total
Factored Base Year Roll	\$699	\$6,800,000
Income Approach - Direct Capitalization	\$463	\$4,500,000
Sales Comparison Approach	\$740	\$7,200,000
Recommended Value Estimate:	\$463	\$4,500,000

Appraiser: Dan Reyes

Principal Appraiser: Chris Castle

Appraisal Date: 8/2/2018

Property Summary

Address: 353-359 Kearny St

AAB: 0270-001

Sub-Market: Financial District North

Property Description: The subject property is a five-story plus basement, reinforced masonry building constructed in 1907. The property is situated at the southwest corner of Kearny and Pine Streets. It contains four floors of office space above two ground floor commercial units. The property is currently in average condition and is proposed for a significant renovation by both the current owner and office tenant. The landlord work reportedly includes new windows, roof repair, new elevator, and exterior repairs at a reported cost of approximately \$1.1M. The tenant work includes a full renovation of the upper levels including flooring, ceiling treatments, lighting, HVAC, restrooms, kitchens, and other finishes. The owner is providing a tenant improvement allowance of up to approximately \$1.6M with the tenant reportedly incurring additional costs above the TI allowance for the office build-out. Together, a total over \$2.7M is planned to be incurred on the proposed renovation

Tenant Profile: The ground floor retail units are both occupied by restaurant tenants: Harrow Fresh Roll and Pasilla, Inc. The office portion of the subject, including a lobby area, was recently leased to Canopy Space, Inc. who provides shared coworking space and will renovate then occupy the lobby through 4th floor.

Building Size (NRA): 9,729

Year Built: 1907

Class: Below Average / B

Floors: 5

Lot Size: 1,998 Sq.Ft. (Total property site area)

Parking: None

Views/Special Features: Good corner location along two busy arterial, Kearny & Pine Streets, in a desirable neighborhood with excellent foot traffic.

Occupancy as of lien date: 100% See Rent Roll for additional details

Sale History:	<u>Sale Date</u>	<u>Sale Price</u>
	2/28/2018	\$6,800,000
	11/2/2016	\$5,425,000

Assessment History:	2018	\$6,800,000
	2017	\$6,800,000
	2016	\$5,425,000
	2015	\$4,153,074

Subject Photographs and Locator Map

Address: 353-359 Kearny St

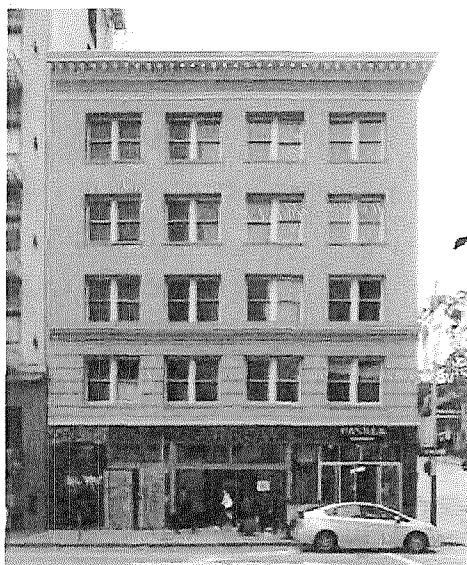
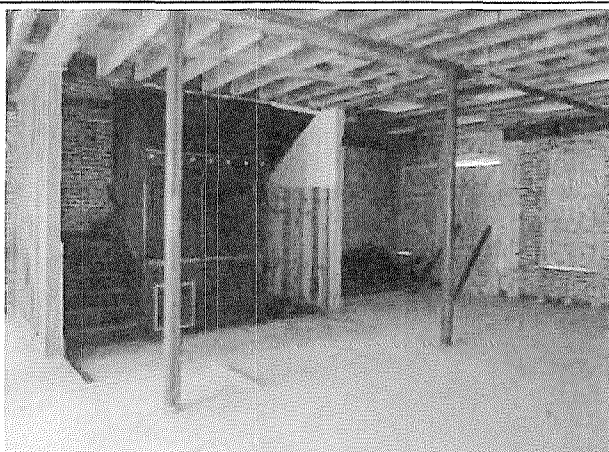
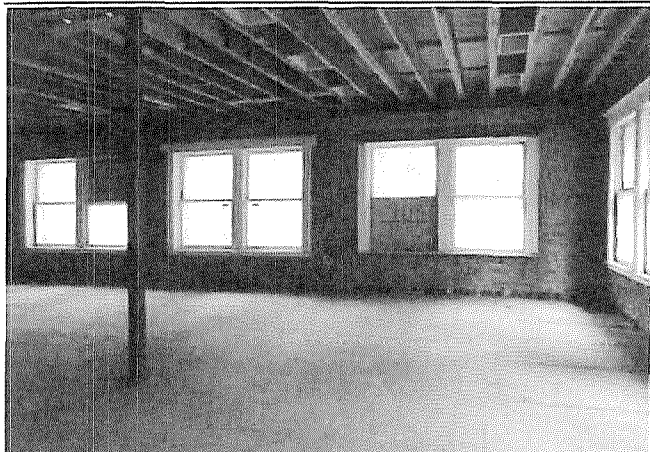
APN: 0270-001



Subject Photographs

Address: 353-359 Kearny St

APN: 0270-001



Income Capitalization Approach

Address: 353-359 Kearny St
 APN: 0270-001
 Lien Date: 7/1/2018

	<u>Totals</u>	<u>Comments</u>
Potential Gross Income		
Retail		
Ground Floor Retail	650 sf @ \$80 NNN = \$52,000	Based on market rents & supported by provided appraisal.
Ground Floor Retail	650 sf @ \$100 NNN = \$65,000	
1,300 sf	\$90 Avg = <u>\$117,000</u>	
Office		
Floors 2nd-5th	8,429 sf @ \$65 NNN = \$547,885	Based on recently signed lease.
Subtotal - Office	8,429 sf \$65 Avg = <u>\$547,885</u>	
Total Potential Income/Square Feet	<u>\$664,885</u>	
Less Vacancy & Collection Loss		
Retail	\$117,000 @ 3.0% = (\$3,510)	
Office	\$547,885 @ 5.0% = (\$27,394)	
Total	<u>(\$30,904)</u>	
Effective Gross Income	<u>\$633,981</u>	
Less: Expenses	5.00% of EGI = (\$31,699)	
	<u>(\$31,699)</u>	
Pre Tax Net Operating Income	<u>\$602,282</u>	
<i>Pre tax NOI per Sq. Ft.</i>	<u>\$61.91</u>	
Capitalization Rate		
Interest rate per SBE	4.000%	
Risk Rate (4% owner occupied / 2% all others)	2.000%	
Tax Rate 2017/2018	1.1723%	
Amortization rate for improvements only	0.8333%	
Remaining econo. life (in years)	60 1.667%	
Improvements as % of total	50% 8.006%	
Stabilized Value Estimate	<u>\$773 psf</u>	<u>\$7,523,224</u>
Less: P.V. Leaseup and Holding Costs		(\$1,913,015)
Less: Capital Expense Items		<u>(\$1,091,077)</u>
As Is Value Estimate		<u>\$4,519,131</u>
Rounded		<u>\$4,500,000</u>
<i>Price/SF of total area</i>		<u>\$463</u>

Note: Values may not be final and are presented for Discussion Purposes only.

Assessed Value as of	7/1/2018
Land	\$2,250,000
Improvements	<u>\$2,250,000</u>
Total	<u>\$4,500,000</u>

Rent Roll As of 6/30/18
Address: 353-359 Kearny St
APN: 0270-001

Suite	Tenant	SF	Lease Commence ment Date	Lease Expiration Date	Term Mo.'s	Base Monthly Rent	Annual Rent	Expense Terms	Annual Rent / SF
357	Hemmingsson & Droese, LLC (Harrow Fresh Roll)	650	11/1/2011	10/31/2022	60	\$5,042	\$60,504	NNN	\$93
359	Pasilla, Inc.	650	5/20/2010	5/31/2020	120	\$6,694	\$80,328	NNN	\$124
353	Canopy Space, Inc.	8,429	0/0/00*	0/0/00*	120	\$43,707	\$524,480	NNN	\$62
Total		9,729					\$665,312		\$68

Vacant	-	0%
Occupied	<u>9,729</u>	100%
Total	9,729	

Summary of Subject and Comparable Retail Leases

No.	Block	Lot	Address	Tenant	Neighborhood	Retail use Category	Tenant Floor	% of Grd Flr to Total GLA	Lease Signed	Lease Start	Term (Mo.)	GLA	Starting Rent (\$/SF/YR)	Effective Rent	Expense Terms	T.I./S.F.	% Rent with Breakpoint	Escalations/Comments	
Comparable Retail Rents																			
1	0807	010	580 Hayes St.	Through the Hayes Optometry, Inc.	Hayes Valley	Other (Describe in Notes)	1	0	09/20/16	01/01/17	180	1,627	\$84.22	\$0.00	NNN	\$ -	0	Optometry office, 3% ann inc	
2	0807	010	580 Hayes St.	Salt & Straw Inc.	Hayes Valley	Café	1	1	09/08/16	01/01/17	120	1,399	\$87.20	\$99.97	NNN	\$ -	0	3% ann inc.	
3	0807	010	580 Hayes St.	b8ta, Inc.	Hayes Valley	Other (Describe in Notes)	1	1	08/30/16	01/31/17	60	2,547	\$94.00	\$99.81	NNN	\$ -	0	3% ann inc.	
4	0807	010	580 Hayes	b8ta	Hayes Valley	Merchandise Sales	0	0	08/30/16	01/31/17	60	2,547	\$94.00	\$0.00	NNN	\$ 35.34	0	Grd floor retail under new condominium development. Parent block and lot may need revision after PGMT. Com date estimated per lease. 4 mo free rent for build-out. Corner location.	
5	0807	010	580 Hayes	Salt & Straw, Inc	Hayes Valley	Merchandise Sales	0	0	09/06/16	01/31/17	120	1,399	\$87.20	\$0.00	NNN	\$ 25.02	0	Grd floor retail under new condominium development. Parent block and lot may need revision after PGMT. Com date estimated per lease. 4 mo free rent for build-out.	
Average													\$89						

All retail leases are triple net (NNN), unless otherwise indicated in the comments section.

ABBREVIATIONS

Lease Type: N = New Lease, R = Renewal, A = Amendment to Lease, E = Expansion of Space, S = Sublease

Lease Structure: FSG - full service gross lease MG - modified gross lease IG - Industrial gross lease NNN - triple net or net lease

Summary of Subject and Comparable Office Leases

No.	Block	Lot	Address	Tenant	Floor	Year Built	Year Renovated	Term (Mo.)	Total Building NRA (SF)	Building Stories	Class	Neighborhood	Lease Signed	Lease Start	Rentable Area (SF)	Starting Rent (\$/SF/YR)	Effective Rent	Expense Terms	Lease Type	T.I./S.F.	Free Rent (Months)	Escalations/Comments
-----	-------	-----	---------	--------	-------	------------	----------------	------------	-------------------------	------------------	-------	--------------	--------------	-------------	--------------------	--------------------------	----------------	---------------	------------	-----------	--------------------	----------------------

Subject Property Office Leases

	270	1	353 Kearny Street	Canopy Space, Inc.	1-5	1907	2018	120	9,729	5	B	North Financial District	12/07/17	TBD	8,429	\$85.00		NNN	N	\$187	18	Coworking tenant.
--	-----	---	-------------------	--------------------	-----	------	------	-----	-------	---	---	--------------------------	----------	-----	-------	---------	--	-----	---	-------	----	-------------------

Comparable Office Rents

1	3788	045	625 3rd St.	Ubisoft	0	1908	0	84	42,429	4	B	South Beach	01/00/00	07/01/17	40,000	\$55.00	\$0.00	FSG w/ BY	R	35	0	Renewal, 3% ann inc, Info source: Fee appraisal of 3512-005						
2	37052	003	22 4th St.	Clover Health	0	1981	0	50	224,420	16	A	South of Market	01/00/00	03/01/18	32,748	\$61.01	\$0.00	FSG w/ BY	R	0	0	Renewal of a sub-lease, 3% ann inc, Info source: fee appraisal of 3512-005						
3	3758	003	1266 Harrison St.	All Turtles Corp.	1-4	2016	0	60	-	4	A	South of Market	05/22/17	06/01/17	8,346	\$72.00	\$76.45	FSG w/ BY	N	0	0	3% ann inc, 1 five-year option to renew, 2 pkg spaces incl. 4 story office space part of L Seven apartments						
Average																\$63	\$25											

ABBREVIATIONS

Lease Type: N = New Lease, R = Renewal, A = Amendment to Lease, E = Expansion of Space, S = Sublease
 Lease Structure: FSG - full service gross lease MG - modified gross lease IG - Industrial gross lease NNN - triple net or net lease

SALES COMPARISON ANALYSIS

	ADDRESS	SALE PRICE \$ PER SQ.FT.	MARKET CONDITIONS	NEIGHBORHOOD	LOT SIZE	YEAR BUILT	SQUARE FEET	CONDITION	OVERALL ADJUSTMENT	ADJUSTED SALE PRICE
Subj. APN	353-359 Kearny St 0270-001			Financial District North	1,998	1907	9,729	Recently Renovated		
1	407-411 Sansome St APN:02-0228-003	10/20/2017 \$12,970,000	Similar	Financial District North	3,963 (\$196,533)	1909	17,854 (\$3,250,000)	Similar	(\$3,446,533)	\$9,523,467
2	401-423 Washington St APN:02-0206-018 through -024	12/20/2017 \$13,850,000	Similar	Financial District North	2,614 (\$61,833)	1983	16,923 (\$2,677,609)	Similar	(\$2,598,233)	\$11,310,767
3	558 Sacramento St APN:02-0228-009	8/15/2017 \$11,300,000	Similar	Financial District North	2,391 (\$39,333)	1907 (renovated 1993)	12,000 (\$98,400)	Similar	(\$947,733)	\$10,352,267
4	944 Folsom Street APN:25-3732-044 and 3732-045	8/22/2018 \$10,760,000	Similar	South of Market	8,392 (\$639,433)	1936 (renovated 1995)	10,750 (\$408,400)	Similar	(\$1,047,833)	\$9,702,167
5	633-639 Howard APN: 25-3735-050	6/19/2018 \$11,435,000	Similar	Financial District South	6,638 (\$363,983)	1910	10,400 (\$268,400)	Similar	(\$632,363)	\$10,802,617

RANGE OF VALUES	\$9,523,467	to	\$11,310,767
------------------------	-------------	----	--------------

ADJUSTMENTS:

Market Conditions	None
Location	None
Lot Size	\$100 PSF
Year Built	None
Square Feet	\$400 PSF
Condition	None

ESTIMATED STABILIZED MARKET VALUE	\$10,250,000
Less: P.V. Leaseup and Holding Costs	(\$1,913,015)
Less: Capital Expense Items	(\$1,091,077)
As Is Value Estimate	\$7,245,908
As Is Value Estimate Rounded	\$7,200,000

Leaseup and Holding Costs

Address: 353-359 Kearny St

APN: 0270-001

		- RETAIL AREA -		- OFFICE AREA -	
		Year 1	Year 2	Year 1	Year 2
Total NRA				8,429	
Stabilized Vacancy	5%	-	-	421	
Less: Actual Vacancy				100.0%	8,429
Beginning Excess Vacancy	a	-	-	8,008	4,004
Ending Excess Vacancy	b=a/2	-	-	4,004	-
SF Leased	c=a-b	-	-	4,004	4,004
Avg. Excess Vacancy	<u>\$/sq.ft.</u>	-	-	<u>\$/sq.ft.</u>	2,002
Rent Loss	Xd	\$55.00	\$ -	\$65.00	\$ 390,368
Leasing Comm. and other Marketing Expenses	Xc	\$11.50	\$ -	\$11.50	\$ 46,043
Tenant Improvements	Xc	\$0.00	\$ -	\$187	\$ 747,384
Differential Operating Expenses	Xd	\$0.00	\$ -	\$0.00	\$ -
Total Leaseup and Holding Costs		\$ -	\$ -	\$ 1,183,795	\$ 923,550

Present Value Calculation (7.0% Discount Rate)

I. Retail Component

Year	Cash Flow	PV Factor	P.V. of Costs
1	\$ -	0.9345794	= \$ -
2	\$ -	0.8734387	= \$ -
Present Value of Retail Leaseup and Holding Costs			\$ -

II. Office Component

Year	Cash Flow	PV Factor	P.V. of Costs	BILIZED MARKET VALUE
1	\$ 1,183,795	0.9345794	= \$ 1,106,351	
2	\$ 923,550	0.8734387	= \$ 806,664	
Present Value of Office Leaseup and Holding Costs			\$ 1,913,015	
Sum Total of Present Value Leaseup and Holding Costs			<u>1,913,015</u>	



SAN FRANCISCO PLANNING DEPARTMENT

PRE-APPROVAL INSPECTION REPORT

Report Date: May 23, 2018
Inspection Date: May 23, 2017; 11:00am
Filing Date: May 1, 2018
Case No.: 2018-006717MLS
Project Address: 353 Kearny
Block/Lot: 0270/001
Eligibility: Kearny-Market-Mason-Sutter Conservation District,
Category IV – Contributory Building
Zoning: C-3-O – Downtown-Office
Height & Bulk: 80-130-F
Supervisor District: District 3 (Aaron Peskin)
Project Sponsor: Pine Kearny LLC – Jesse Feldman
Address: 590 Pacific Ave.
San Francisco, CA 94133
415-934-0413
jesse@brickandtimbercollective.com
Staff Contact: Shannon Ferguson – (415) 575-9074
shannon.ferguson@sfgov.org
Reviewed By: Tim Frye – (415) 575-6822
tim.frye@sfgov.org

PRE-INSPECTION

- Application fee paid
- Record of calls or e-mails to applicant to schedule pre-contract inspection
 - 5/14/2018: provide comments on rehab and maintenance plan, schedule site visit
 - 5/16/2018: follow up to schedule site visit
 - 5/16/2018: Confirm site visit date/time.

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

INSPECTION OVERVIEW

Date and time of inspection: Wednesday, May 23, 2017; 11am

Parties present: Shannon Ferguson, Jason Wright (Page & Turnbull), Jesse Feldman

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

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

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

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

NOTES

353 Kearny Street (District 3) is located on the southwest corner of Kearny and Pine streets, Assessor's Block 0270, Lot 001. The subject property is located within the C-3-O – Downtown-Office zoning district and a 80-130-F Height and Bulk district. The subject property is a Category IV – Contributory Building to Kearny-Market-Mason-Sutter Conservation District. It is a five-story over basement, brick masonry, commercial building designed in the Renaissance-Revival style by San Francisco architectural firm Salfield & Kohlberg and was built in 1907.

The subject property is currently valued by the Assessor's Office at over \$5,000,000. Therefore, an exemption from the tax assessment value is required. The application includes a Historic Structure Report prepared by Page & Turnbull, Inc. that provides evidence that the property meets the exemption criteria for tax assessment value.

The rehabilitation plan proposes roof replacement, parapet bracing repair, elevator penthouse repair, repair and painting of brick at primary facades, repair and painting of cement plaster at rear façade, repair of historic windows at primary facades, compatible replacement of missing windows at rear façade, fire escape repair, storefront and ground floor rehabilitation, and repair of sheet metal banding and cornice. On the interior, work includes repair of the historic stair and enclosed elevator, as well as brick repair and waterproofing due to moisture infiltration at the 4th and 5th floors and in basement under the sidewalk. The estimated cost of rehabilitation work is \$958,752

The maintenance plan proposes annual inspections and any necessary repairs of the roof, parapet bracing, elevator penthouse, brick masonry and cement plaster elevations, storefronts, windows, fire escape, and sheet metal banding and cornice. On the interior, the stair and elevator will be inspected annually and any necessary repairs made, and basement will be inspected annually for signs of moisture. Annual maintenance costs are estimated at \$23,754.

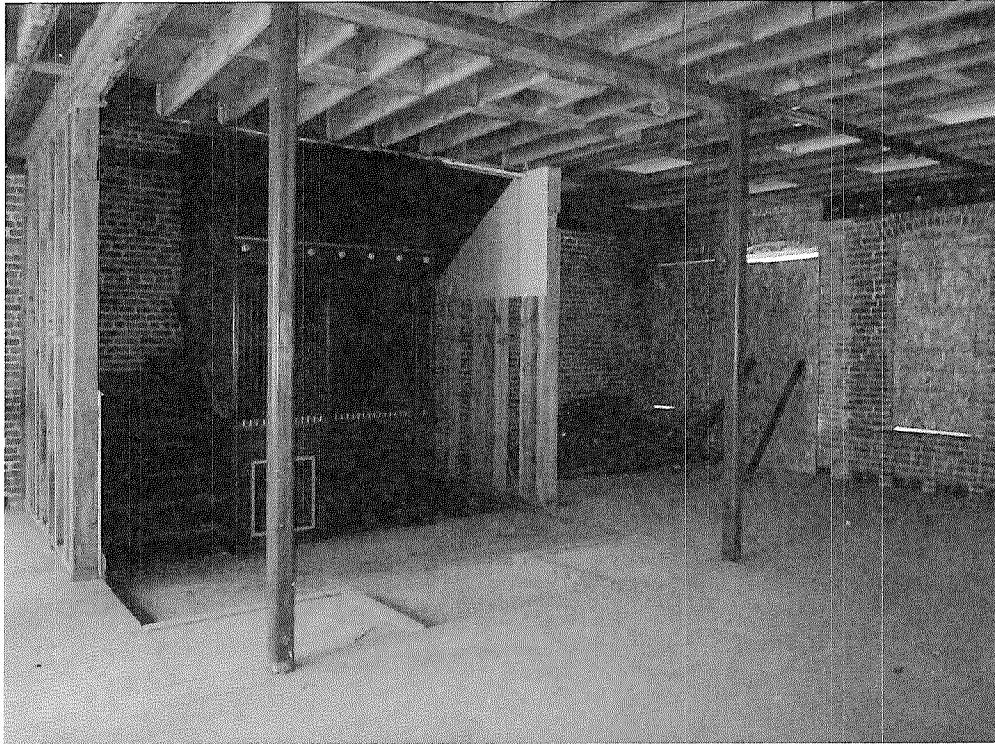
- Seismic work is not addressed. The building was upgraded in 2004 to comply with UMB ordinance.
- Proposed rehabilitation work to storefronts includes building entry and southern-most storefront only. Does not include the two northern storefronts with active tenants.

CONDITIONS FOR APPROVAL

Open DBI Complaint must be resolved.

PHOTOGRAPHS







MILLS ACT APPLICATION
353 KEARNY STREET
SAN FRANCISCO, CALIFORNIA
[17336]

PREPARED FOR: PINE KEARNY LLC
PRIMARY PROJECT CONTACT:
Elisa Skaggs
Page & Turnbull, 417 Montgomery Street, 8th Floor
San Francisco, CA 94104
415.593.3224/ 415.362.5560 fax
skaggs@page-turnbull.com



TABLE OF CONTENTS

This application contains the following documents:

I. APPLICATION FORM

APPLICATION CHECKLIST

MILLS ACT HISTORICAL PROPERTY CONTRACT

REHABILITATION/RESTORATION & MAINTENANCE PLAN

CALIFORNIA MILLS ACT HISTORICAL PROPERTY AGREEMENT

NOTARY ACKNOWLEDGEMENT FORM

REHABILITATION/RESTORATION & MAINTENANCE PLAN (CONTINUATION/ATTACHMENT)

II. EXEMPTION STATEMENT AND SIGNIFICANCE EVALUATION

EXEMPTION STATEMENT

III. HISTORIC STRUCTURE REPORT

BRIEF HISTORY OF 353 KEARNY STREET

HISTORIC SIGNIFICANCE

ARCHITECTURAL DESCRIPTION

EXISTING CONDITIONS

TREATMENT RECOMMENDATIONS

IV. 353 KEARNY STREET ADDITIONAL PHOTOGRAPHY

KEARNY STREET FAÇADE

PINE STREET FAÇADE

ST. GEORGE ALLEY FAÇADE

GROUND FLOOR INTERIOR AT BAYS 1 & 2

LEVELS 2-5 INTERIOR AT SOUTH WALL

LEVELS 2-5 INTERIOR AT WEST WALL

LEVELS 2-5 INTERIOR AT NORTH & EAST WALLS

ROOF

V. SITE PLAN

VI. TAX BILL

VII. RENTAL INCOME INFORMATION

VIII. BIBLIOGRAPHY

I. APPLICATION FORM



SAN FRANCISCO
PLANNING
DEPARTMENT

APPLICATION GUIDE FOR Mills Act Historical Property Contract

Planning Department
1650 Mission Street
Suite 400
San Francisco, CA
94103-9425

P: 415.558.6378
F: 415.558.6409

Office of the Assessor-Recorder
City Hall, Room 190
San Francisco, CA
94102

P: 415.554.5596
Recording Hours
8:00a.m. – 4:00p.m.

Chapter 71 of the San Francisco Administrative Code allows the City and County of San Francisco to enter into a preservation contract with local property owners who restore and preserve qualified historic properties. In exchange for maintaining and preserving a historic property, the owner receives a property tax reduction.

Planning staff are available to advise you in the preparation of this application. Call (415) 558-6377 for further information.

WHAT IS A MILLS ACT PROPERTY CONTRACT?

The Mills Act Contract is an agreement between the City and County of San Francisco and the owner of a qualified property based on California Government Code, Article 12, Sections 50280-50290 (Mills Act). This state law, established in 1976, provides for a property tax reduction for owners of qualifying historic properties who agree to comply with certain preservation restrictions and use the property tax savings to help offset the costs to restore, rehabilitate, and maintain their historic resource according to the *Secretary of the Interior's Standards and the California Historical Building Code*. The Mills Act allows historic property owners to restore their historic buildings; obligate future owners to the maintenance and care of the property; and may provide significant property tax savings to the property owner, particularly to smaller, single-family homeowners. The San Francisco Board of Supervisors approves all final contracts. Once executed, the contract is recorded on the property and leads to reassessment of the property the following year.

WHO MAY APPLY FOR A MILLS ACT PROPERTY CONTRACT?

The Mills Act is for qualified historic property owners who are actively rehabilitating their properties or have recently completed a rehabilitation project compliant with the *Secretary of the Interior's Treatment of Historic Properties*, in particular the Standards for Rehabilitation, and the California Historical Building Code. Recently completed projects shall mean completed in the year prior to the application. Qualified historic properties are those that have been designated as a City Landmark or those listed on the National Register of Historic Places. Eligibility for Historical Property Contracts shall be limited to residential buildings or structures with a pre-contract assessed valuation of \$3,000,000 or less and commercial and industrial buildings with a pre-contract assessed valuation of \$5,000,000 or less, unless the individual property is granted an exemption from those limits by the Board of Supervisors.

If a property has multiple owners, all property owners of the subject property must enter into the contract simultaneously.

THE APPLICATION PACKET

This Application Packet is a summary of the Mills Act Historical Property Contract ("Mills Act Contract") Program's features. The complete details are described in the legal texts of the San Francisco Administrative Code, Chapter 71, California Government Code Sections 50280-50290 (Appendix A to this packet.) and California Taxation Code Article 1.9, Sections 439-439.4. (Appendix B to this packet.)

IMPORTANT: Please read the entire application packet before getting started. Applicants are responsible for all of the information contained in the Application Guide. Be sure to review the Application Checklist to ensure that you are submitting all of the required documents. A Mills Act Historical Property Contract application provides the potential for property tax reduction. It is not a guarantee. Each property varies according to its income-generating potential and current assessed value. Mills Act properties are reassessed annually and periodically inspected for contract compliance. Incomplete applications may not meet the schedule outlined in this application.

ROLE OF THE PLANNING DEPARTMENT

The Planning Department oversees all Mills Act applications, presents applications before the appropriate hearing bodies and monitors the City's existing Mills Act properties. Preservation Planners work with property owners to complete their applications and develop rehabilitation and maintenance plans that are specific to each property. Planners keep the applicants informed throughout the year, as the application moves forward through the Office of the Assessor-Recorder, the Historic Preservation Commission, and the Board of Supervisors. The Planning Department also serves as the main point of contact for annual monitoring.

ROLE OF THE OFFICE OF ASSESSOR-RECORDER

The role of the Office of the Assessor-Recorder is to locate and accurately assess all taxable property in San Francisco and also serve as the county's official record-keeper of documents such as deeds, liens, maps and property contracts. In a Mills Act Historical Property contract, the Office of the Assessor-Recorder assesses qualified properties based on a state prescribed approach and records the fully executed contract. All Mills Act properties will receive an initial valuation during the application process and will be assessed annually by the January 1st lien date and in subsequent years, as required by state law.

ROLE OF THE HISTORIC PRESERVATION COMMISSION

The Historic Preservation Commission will hold a hearing to make a recommendation to the Board of Supervisors whether to approve, modify or deny the application. The HPC may include recommendations regarding the proposed rehabilitation, restoration, and maintenance work, the historic value of the qualified property and any proposed restrictions or maintenance requirements to be included in the final Historical Property Contract. The HPC's recommendation will be forwarded to the Board of Supervisors.

If the Historic Preservation Commission recommends disapproval of the contract, such decision shall be final unless the property owner files an appeal with the Clerk of the Board of Supervisors within 10 days of final action of the Historic Preservation Commission.

ROLE OF THE BOARD OF SUPERVISORS

The Mills Act Application is referred by the Planning Department to the Board of Supervisors. Every contract must be scheduled in a Committee of the Board of Supervisors. A report prepared by the Board of Supervisors Budget & Legislative Analysts Office will detail the property tax savings and the potential impact this may have on the City's finances. The Committee may recommend, not recommend or forward the application without recommendation to the full Board of Supervisors.

The Board of Supervisors has complete discretion whether to approve, disapprove, or approve with modifications the Mills Act Historical Property Contract. The final decision rests with the Board of Supervisors. The legislative process may take a minimum of five weeks.

WHICH PROPERTIES ARE ELIGIBLE TO APPLY?

In order to participate in the Mills Act Contract Program, properties must meet the following criteria:

1. Qualified Historic Property

- **Individually Designated Pursuant to Article 10 of the Planning Code.** Properties that have been designated as an individual city landmark are eligible.
- **Buildings in Landmark Districts Designated Pursuant to Article 10 of the Planning Code.** Properties that have been listed as a contributor to a city landmark district are eligible.
- **Properties Designated as Significant (Category I or II) Pursuant to Article 11 of the Planning Code.** Properties located in the C-3 Zoning District that have been determined to be a Category I or II, Significant Building are eligible.
- **Properties Designated as Contributory (Category IV) to a Conservation District Pursuant to Article 11 of the Planning Code.** Properties located in the C-3 Zoning District that have been determined to be Category IV are eligible.
- **Properties Designated as Contributory (Category III) Pursuant to Article 11 of the Planning Code.** Properties in the C-3 Zoning District that have been listed as a Contributory Structure (Category III) which are located outside of a Conservation District are eligible for the Mills Act program.
- **Individual Landmarks under the California Register of Historical Resources.** Properties that have been officially designated as a California Register individual landmark are eligible for the Mills Act program.
- **Contributory Buildings in California Register of Historical Resources Historic Districts.** Properties that have been identified as a contributory building in a National Register Historic District are eligible for the Mills Act program.
- **Individual Landmarks listed in the National Register of Historic Places.** Properties that have been individually listed in the National Register are eligible for the Mills Act program.
- **Contributory Buildings listed in the National Register of Historic Places as a Historic District.** Properties that have been identified as a contributory building to a National Register Historic District are eligible for the Mills Act program.

If there are any questions about whether your property is eligible please contact the Planning Department at (415) 558-6377.

2. Tax Assessment Value

Qualified historic properties must also meet a tax assessment value to be eligible for a Mills Act Contract. All owners of the property must enter into the Mills Act contract with the City.

For Residential Buildings:

Eligibility is limited to a property tax assessment value of less than \$3,000,000.

For Commercial, Industrial or Mixed-Use Buildings:

Eligibility is limited to a property tax assessment value of less than \$5,000,000.

Exceptions To Property Value Limits:

A property may be exempt from the tax assessment value if it meets the following criteria:

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

Properties applying for a valuation exemption must provide evidence that the property meets the exemption criteria. This evidence must be documented by a qualified historic preservation consultant in a Historic Structures Report or Conditions Assessment to substantiate the circumstances for granting the exemption. Please contact Planning Department Preservation Staff to determine which report your property requires.

The Historic Preservation Commission shall make specific findings to the Board of Supervisors recommending approval or denial of the exemption. Final approval of this exemption is under the purview of the Board of Supervisors.

NOTE: Owners of properties with comparatively low property taxes due to Proposition 13 will likely not see a benefit with a Mills Act Contract. The assessed value under the Mills Act will likely be higher than the existing base-year value of the property. Generally, an owner who has purchased their property within the last ten years is most likely to benefit from entering into a Mills Act contract.

TERMS OF THE MILLS ACT HISTORICAL PROPERTY CONTRACT

Duration of Contract

The Mills Act contract is for a minimum term of ten years. It automatically renews each year on its anniversary date and a new ten-year term becomes effective. The contract runs (essentially in perpetuity) with the land.

Termination of the Contract

The owner may terminate the contract by notifying the Planning Department at least ninety days prior to the annual renewal date. The City may terminate the contract by notifying the owner at least sixty days prior to the renewal date. The City could terminate contract if the owner is not conforming with the plans and timelines established in the Contract. The owner may make a written protest about termination by the City. The contract remains in effect for the balance of the 10-year term of the contract beyond the notice of non-renewal.

Alterations or Additions

Any work performed to the property must conform to the *Secretary of the Interior's Standards for the Treatment of Historic Properties*, specifically, the Standards for Rehabilitation and the California Historical Building Code. If components of the Mills Act Rehabilitation/Restoration or Maintenance Plan requires approvals by the Historic Preservation Commission, Planning Commission, Zoning Administrator, or any other government body, those approvals must be secured prior to applying for a Mills Act Historical Property Contract.

Inspections and Monitoring

The City may conduct periodic inspections of the property in addition to issuing an annual affidavit of compliance. These inspections are to confirm work has been completed in conformance with the approved Mills Act Contract. The City also encourages the property owner to self-inspect and apprise the Planning Department of the progress of rehabilitating and maintaining their property. In compliance with state law, onsite inspections of the property by the Planning Department and the Office of the Assessor-Recorder will occur every five years. All site visits will be scheduled in advance with the property owner.

Breach of Contract

If the property owner is found to be in breach of contract, the City may cancel the contract whereupon the Assessor-Recorder will collect a cancellation fee of 12 1/2 percent of the fair market value of the property as determined by the Assessor-Recorder. Applicants who enter into a Mills Act Contract with the City of San Francisco and fail to rehabilitate or maintain the property are subject to the City cancelling the contract.

Transfer of Ownership

A Mills Act Contract is attached to the property. Subsequent owners are bound by the terms and conditions of the contract, and obligated to complete any work identified in the contract and perform required maintenance. It is incumbent upon the seller of a Mills Act property to disclose this fact to potential buyers. For example, if an owner completes some of the contract mandated work in the first five years and then sells the property, the new buyer would have five years to complete the rehabilitation/restoration of the property.

Recordation

A complete Mills Act contract must be recorded with the Office of the Assessor-Recorder. In order to record the contract, all approvals, signatures, recordation attachments must be included and all applicable recording fees must be paid. A contract may be considered incomplete if all components are not adequately satisfied. To see the current recording fee schedule, go to www.sfassessor.org.

Mills Act Process & Timeline

Phase 1: Planning Department Reviews Application

- 1** Property owner submits completed application to Planning.

Send applications to: 1650 Mission Street, Suite 400, San Francisco, CA 94103

Visit www.sfplanning.org for application fee information.

APPLICATION DEADLINE: MAY 1

2. Review of applications. Planning Department reviews the applications for completeness. Planner works with the Owner if issues are found.

3. Property Inspection. Planning Department and Assessor-Recorder schedule site visits with Owner.

Phase 2: Assessor-Recorder Calculates Valuations

4. Planning Department submits complete applications to Assessor-Recorder by June 1.

5. Initial valuation completed by Assessor-Recorder's office and submitted to Planning Department for transmittal to property owner by Aug. 31.

6 Property owner reviews valuations. Owner has until Sept. 15 to review the valuation.

DEADLINE: SEPTEMBER 15

Phase 3: Historic Preservation Commission Hearing

7. HPC Hearing. The Historic Preservation Commission (HPC) meets the first and third Wednesday of each month. The HPC Hearing will be the third Wednesday in September or the first Wednesday in October. Planning Staff will present the application, rehabilitation and maintenance plans to the HPC.

ACTION TAKEN

The HPC may recommend, modify, or deny approval to the Board of Supervisors.

Phase 7: Mills Act Monitoring

18. Affidavit of compliance is issued. Onsite Property inspections occur every five years with Planning and the Assessor Recorder's Office.

19 Owner returns affidavit to Planning.

DEADLINE: APRIL 30

Recordation and Distribution

16 Office of the Assessor-Recorder records contract.

DEADLINE: DECEMBER 30

17. Office of the Assessor-Recorder mails confirmed copy of contract to property owner.

Phase 5: Final Contracts Issued, Recorded & Distributed

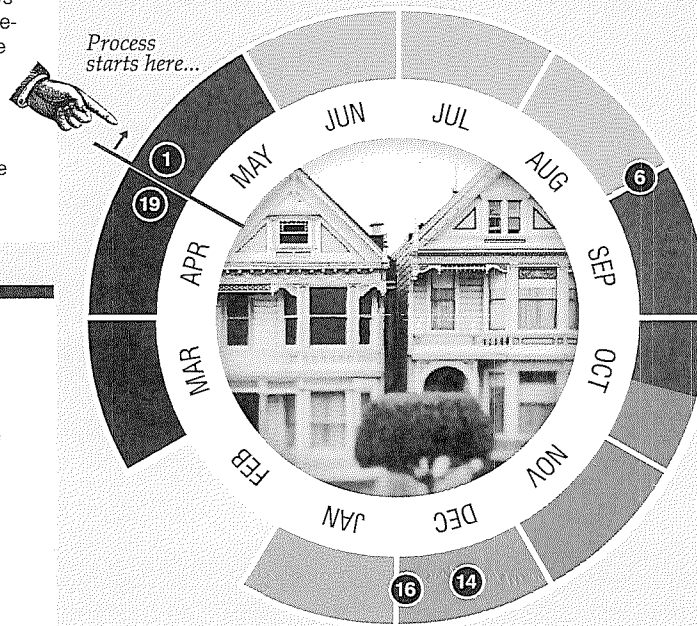
12. City Attorney's Office finalizes contracts. City Attorney verifies prints and signs final contracts then returns to Planning for signature.

13. Planning Department notifies property owner to pick up contracts from Planning Department. Owners sign and notarize contracts.

14 Owners deliver signed and notarized contracts to Planning Department. Planning Department delivers all contracts to the Assessor-Recorder, City Hall, Room 190.

DEADLINE: DECEMBER 13

15. Assessor-Recorder reviews and signs contracts.



● Property Owner Action/Deadline

Phase 4: Board of Supervisors Committee and Board of Supervisors Final Hearing

8. Planning Department transmits application to the Board of Supervisors. The Clerk of the Board is responsible for scheduling the item in the appropriate Board of Supervisors committee.

9. Budget & Legislative Analyst's Office prepares report for committee hearing.

10. Planning Department, Assessor-Recorder's Office, and Owner present.

ACTION TAKEN

Board of Supervisors Committee may Recommend, Not Recommend, or forward without Recommendation to the Full Board.

11. Item scheduled at a full Board of Supervisors meeting for consideration. Visit www.sfbos.org for more information.

ACTION TAKEN

The BOS may approve, modify, or deny the Mills Act Application.

MILLS ACT HISTORICAL PROPERTY CONTRACT

Application Checklist:

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

1 Mills Act Application	YES <input type="checkbox"/> NO <input type="checkbox"/>
Has each property owner signed? Has each signature been notarized?	
2 High Property Value Exemption Form & Historic Structure Report	YES <input type="checkbox"/> NO <input type="checkbox"/>
Required for Residential properties with an assessed value over \$3,000,000 and Commercial/Industrial properties with an assessed value over \$5,000,000.	
Have you included a copy of the Historic Structures Report completed by a qualified consultant? N/A <input type="checkbox"/>	
3 Draft Mills Act Historical Property Contract	YES <input type="checkbox"/> NO <input type="checkbox"/>
Are you using the Planning Department's standard "Historical Property Contract?" Have all owners signed and dated the contract? Have all signatures been notarized?	
4 Notary Acknowledgement Form	YES <input type="checkbox"/> NO <input type="checkbox"/>
Is the Acknowledgement Form complete? Do the signatures match the names and capacities of signers?	
5 Draft Rehabilitation/Restoration/Maintenance Plan	YES <input type="checkbox"/> NO <input type="checkbox"/>
Have you identified and completed the Rehabilitation, Restoration, and Maintenance Plan organized by contract year, including all supporting documentation related to the scopes of work?	
6 Photographic Documentation	YES <input type="checkbox"/> NO <input type="checkbox"/>
Have you provided both interior and exterior images (either digital, printed, or on a CD)? Are the images properly labeled?	
7 Site Plan	YES <input type="checkbox"/> NO <input type="checkbox"/>
Does your site plan show all buildings on the property including lot boundary lines, street name(s), north arrow and dimensions?	
8 Tax Bill	YES <input type="checkbox"/> NO <input type="checkbox"/>
Did you include a copy of your most recent tax bill?	
9 Rental Income Information	YES <input type="checkbox"/> NO <input type="checkbox"/>
Did you include information regarding any rental income on the property, including anticipated annual expenses, such as utilities, garage, insurance, building maintenance, etc.?	
10 Payment	YES <input type="checkbox"/> NO <input type="checkbox"/>
Did you include a check payable to the San Francisco Planning Department? Current application fees can be found on the Planning Department Fee Schedule under Preservation Applications.	
11 Recordation Requirements	YES <input type="checkbox"/> NO <input type="checkbox"/>
A Board of Supervisors approved and fully executed Mills Act Historical Property contract must be recorded with the Assessor-Recorder. The contract must be <u>accompanied</u> by the following in order to meet recording requirements:	
<ul style="list-style-type: none"> - All approvals, signatures, recordation attachments - Fee: Check payable to the Office of the Assessor-Recorder" in the appropriate recording fee amount Please visit www.sfassessor.org for an up-to-date fee schedule for property contracts. - Preliminary Change of Ownership Report (PCOR). Please visit www.sfassessor.org for an up-to-date PCOR (see example on page 20). 	

APPLICATION FOR Mills Act Historical Property Contract

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

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

PROPERTY OWNER 1 NAME: Pine Kearny LLC - Contact Jesse Feldman	TELEPHONE: (415) 934-0413
PROPERTY OWNER 1 ADDRESS: 590 Pacific Ave., San Francisco, CA 94133	EMAIL: jesse@brickandtimbercollective.com
PROPERTY OWNER 2 NAME:	TELEPHONE: ()
PROPERTY OWNER 2 ADDRESS:	EMAIL:
PROPERTY OWNER 3 NAME:	TELEPHONE: ()
PROPERTY OWNER 3 ADDRESS:	EMAIL:

2. Subject Property Information

PROPERTY ADDRESS: 353 Kearny Street, San Francisco, CA 94108	ZIP CODE: 94108
PROPERTY PURCHASE DATE: 2/28/18	ASSESSOR BLOCK/LOT(S): 0270/001
MOST RECENT ASSESSED VALUE: \$6,800,000.00	ZONING DISTRICT: C-3-0

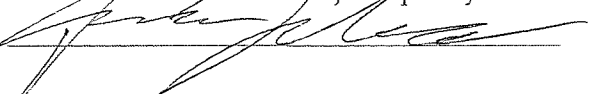
Are taxes on all property owned within the City and County of San Francisco paid to date? YES NO

Is the entire property owner-occupied? YES NO
If No, please provide an approximate square footage for owner-occupied areas vs. rental income (non-owner-occupied areas) on a separate sheet of paper. The property is all rental income.

Do you own other property in the City and County of San Francisco? YES NO
If Yes, please list the addresses for all other property owned within the City of San Francisco on a separate sheet of paper.

Are there any outstanding enforcement cases on the property from the San Francisco Planning Department or the Department of Building Inspection? YES NO
If Yes, all outstanding enforcement cases must be abated and closed for eligibility for the Mills Act.

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

Owner Signature:  Date: 4/30/18

Owner Signature: _____ Date: _____

Owner Signature: _____ Date: _____

3. Property Value Eligibility:

Choose one of the following options:

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

YES NO

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

YES NO

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

Application for Exemption from Property Tax Valuation

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

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

4. Property Tax Bill

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

PROPERTY OWNER NAMES:

Pine Kearny LLC - Contact Jesse Feldman

MOST RECENT ASSESSED PROPERTY VALUE:

\$6,800,000.00

PROPERTY ADDRESS:

353 Kearny Street , San Francisco, CA 94108

5. Other Information

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

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

Owner Signature: [Signature]

Date: 4/30/18

Owner Signature: _____

Date: _____

Owner Signature: _____

Date: _____

5. Rehabilitation/Restoration & Maintenance Plan

A 10 Year Rehabilitation/Restoration Plan has been submitted detailing work to be performed on the subject property	YES <input type="checkbox"/> NO <input type="checkbox"/>
A 10 Year Maintenance Plan has been submitted detailing work to be performed on the subject property	YES <input type="checkbox"/> NO <input type="checkbox"/>
Proposed work will meet the <i>Secretary of the Interior's Standards for the Treatment of Historic Properties</i> and/or the California Historic Building Code.	YES <input type="checkbox"/> NO <input type="checkbox"/>

Property owner will ensure that a portion of the Mills Act tax savings will be used to finance the preservation, rehabilitation, and maintenance of the property	YES <input type="checkbox"/> NO <input type="checkbox"/>
--	--

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

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

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

Draft Rehabilitation/Restoration/Maintenance Plan (Continued)

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

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

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

6. Draft Mills Act Historical Property Agreement

Please complete the following Draft Mills Act Historical Property Agreement and submit with your application. A final Mills Act Historical Property Agreement will be issued by the City Attorney once the Board of Supervisors approves the contract. The contract is not in effect until it is fully executed and recorded with the Office of the Assessor-Recorder.

Any modifications made to this standard City contract by the applicant or if an independently-prepared contract is used, it shall be subject to approval by the City Attorney prior to consideration by the Historic Preservation Commission and the Board of Supervisors. This will result in additional application processing time and the timeline provided in the application will be nullified.

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

California Mills Act Historical Property Agreement

PROPERTY NAME (IF ANY)

PROPERTY ADDRESS

San Francisco, California

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

RECITALS

Owners are the owners of the property located at _____, in San Francisco, California

/ _____. The building located at _____

BLOCK NUMBER

LOT NUMBER

PROPERTY ADDRESS

is designated as _____ (e.g. "a City Landmark pursuant to Article 10 of the Planning Code") and is also known as the _____

HISTORIC NAME OF PROPERTY (IF ANY)

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

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

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

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

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

Mills Act Application

1. Application of Mills Act.

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

2. Rehabilitation of the Historic Property.

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

3. Maintenance.

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

4. Damage.

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

5. Insurance.

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

6. Inspections.

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

7. Term.

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

8. Valuation.

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

9. Termination.

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

10. Notice of Nonrenewal.

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

11. Payment of Fees.

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

12. Default.

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

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

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

13. Cancellation.

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

14. Cancellation Fee.

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

15. Enforcement of Agreement.

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

16. Indemnification.

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

17. Eminent Domain.

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

18. Binding on Successors and Assigns.

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

19. Legal Fees.

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

20. Governing Law.

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

21. Recordation.

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

22. Amendments.

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

23. No Implied Waiver.

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

24. Authority.

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

25. Severability.

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

26. Tropical Hardwood Ban.

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

27. Charter Provisions.

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

28. Signatures.

This Agreement may be signed and dated in parts

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

CARMEN CHU
ASSESSOR-RECORDER
CITY & COUNTY OF SAN FRANCISCO

Date

JOHN RAHAIM
DIRECTOR OF PLANNING
CITY & COUNTY OF SAN FRANCISCO

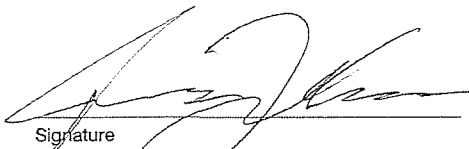
Date

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

Signature

Date

Print name
DEPUTY CITY ATTORNEY



Signature

4/30/18

Date

Pine Kearny LLC - Contact Jesse Feldman

Print name
OWNER

Signature

Date

Print name
OWNER

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

7. Notary Acknowledgment Form

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

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 30, 2018 before me, Kimberly J. Everist,
DATE INSERT NAME OF THE OFFICER


NOTARY PUBLIC personally appeared: Jesse Feldman,
NAME(S) OF SIGNER(S)

who proved to me on the basis of satisfactory evidence to be the person(s) who name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

[Signature]
SIGNATURE



(PLACE NOTARY SEAL ABOVE)

PRELIMINARY CHANGE OF OWNERSHIP REPORT

To be completed by the transferee (buyer) prior to a transfer of subject property, in accordance with section 480.3 of the Revenue and Taxation Code. A Preliminary Change of Ownership Report must be filed with each conveyance in the County Recorder's office for the county where the property is located.



Carmen Chu, Assessor-Recorder
 Office of the Assessor-Recorder
 City and County of San Francisco
 1 Dr. Carlton B. Goodlett Place, Room 190
 San Francisco, CA 94102
 www.sfassessor.org (415) 554-5596

FOR ASSESSOR'S USE ONLY

┌

┐

ASSESSOR'S PARCEL NUMBER

SELLER/TRANSFEROR

BUYER'S DAYTIME TELEPHONE NUMBER

()

└

BUYER'S EMAIL ADDRESS

STREET ADDRESS OR PHYSICAL LOCATION OF REAL PROPERTY

MAIL PROPERTY TAX INFORMATION TO (NAME)

ADDRESS

CITY

STATE

ZIP CODE

YES NO This property is intended as my principal residence. If YES, please indicate the date of occupancy or intended occupancy.

MO

DAY

YEAR

PART 1. TRANSFER INFORMATION

Please complete all statements.

This section contains possible exclusions from reassessment for certain types of transfers.

YES NO

- A. This transfer is solely between spouses (*addition or removal of a spouse, death of a spouse, divorce settlement, etc.*).
- B. This transfer is solely between domestic partners currently registered with the California Secretary of State (*addition or removal of a partner, death of a partner, termination settlement, etc.*).
- *C. This is a transfer: between parent(s) and child(ren) from grandparent(s) to grandchild(ren).
- *D. This transfer is the result of a cotenant's death. Date of death _____
- *E. This transaction is to replace a principal residence by a person 55 years of age or older. Within the same county? YES NO
- *F. This transaction is to replace a principal residence by a person who is severely disabled as defined by Revenue and Taxation Code section 69.5. Within the same county? YES NO
- G. This transaction is only a correction of the name(s) of the person(s) holding title to the property (*e.g., a name change upon marriage*). If YES, please explain: _____
- H. The recorded document creates, terminates, or reconveys a lender's interest in the property.
- I. This transaction is recorded only as a requirement for financing purposes or to create, terminate, or reconvey a security interest (*e.g., cosigner*). If YES, please explain: _____
- J. The recorded document substitutes a trustee of a trust, mortgage, or other similar document.
- K. This is a transfer of property:
 - 1. to/from a revocable trust that may be revoked by the transferor and is for the benefit of the transferor, and/or the transferor's spouse registered domestic partner.
 - 2. to/from a trust that may be revoked by the creator/grantor/trustor who is also a joint tenant, and which names the other joint tenant(s) as beneficiaries when the creator/grantor/trustor dies.
 - 3. to/from an irrevocable trust for the benefit of the creator/grantor/trustor and/or grantor's/trustor's spouse grantor's/trustor's registered domestic partner.
- L. This property is subject to a lease with a remaining lease term of 35 years or more including written options.
- M. This is a transfer between parties in which proportional interests of the transferor(s) and transferee(s) in each and every parcel being transferred remain exactly the same after the transfer.
- N. This is a transfer subject to subsidized low-income housing requirements with governmentally imposed restrictions.
- *O. This transfer is to the first purchaser of a new building containing an active solar energy system.

* Please refer to the instructions for Part 1.

Please provide any other information that will help the Assessor understand the nature of the transfer.

PART 2. OTHER TRANSFER INFORMATION

Check and complete as applicable.

- A. Date of transfer, if other than recording date: _____
- B. Type of transfer:
 Purchase Foreclosure Gift Trade or exchange Merger, stock, or partnership acquisition (Form BOE-100-B)
 Contract of sale. Date of contract: _____ Inheritance. Date of death: _____
 Sale/leaseback Creation of a lease Assignment of a lease Termination of a lease. Date lease began: _____
 Original term in years (including written options): _____ Remaining term in years (including written options): _____
 Other. Please explain: _____
- C. Only a partial interest in the property was transferred. YES NO If YES, indicate the percentage transferred: _____%

PART 3. PURCHASE PRICE AND TERMS OF SALE

Check and complete as applicable.

- A. Total purchase price \$ _____
- B. Cash down payment or value of trade or exchange excluding closing costs Amount \$ _____
- C. First deed of trust @ _____% interest for _____ years. Monthly payment \$ _____ Amount \$ _____
 FHA (___Discount Points) Cal-Vet VA (___Discount Points) Fixed rate Variable rate
 Bank/Savings & Loan/Credit Union Loan carried by seller
 Balloon payment \$ _____ Due date: _____
- D. Second deed of trust @ _____% interest for _____ years. Monthly payment \$ _____ Amount \$ _____
 Fixed rate Variable rate Bank/Savings & Loan/Credit Union Loan carried by seller
 Balloon payment \$ _____ Due date: _____
- E. Was an Improvement Bond or other public financing assumed by the buyer? YES NO Outstanding balance \$ _____
- F. Amount, if any, of real estate commission fees paid by the buyer which are not included in the purchase price \$ _____
- G. The property was purchased: Through real estate broker. Broker name: _____ Phone number: (____) _____
 Direct from seller From a family member-Relationship _____
 Other. Please explain: _____
- H. Please explain any special terms, seller concessions, broker/agent fees waived, financing, and any other information (e.g., buyer assumed the existing loan balance) that would assist the Assessor in the valuation of your property.

PART 4. PROPERTY INFORMATION

Check and complete as applicable.

- A. Type of property transferred
 Single-family residence Co-op/Own-your-own Manufactured home
 Multiple-family residence. Number of units: _____ Condominium Unimproved lot
 Other. Description: (i.e., timber, mineral, water rights, etc.) Timeshare Commercial/Industrial
- B. YES NO Personal/business property, or incentives, provided by seller to buyer are included in the purchase price. Examples of personal property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships, etc. Attach list if available.
 If YES, enter the value of the personal/business property: \$ _____ Incentives \$ _____
- C. YES NO A manufactured home is included in the purchase price.
 If YES, enter the value attributed to the manufactured home: \$ _____
 YES NO The manufactured home is subject to local property tax. If NO, enter decal number: _____
- D. YES NO The property produces rental or other income.
 If YES, the income is from: Lease/rent Contract Mineral rights Other: _____
- E. The condition of the property at the time of sale was: Good Average Fair Poor
 Please describe: _____

CERTIFICATION

I certify (or declare) that the foregoing and all information hereon, including any accompanying statements or documents, is true and correct to the best of my knowledge and belief.

SIGNATURE OF BUYER/TRANSFeree OR CORPORATE OFFICER ▶	DATE	TELEPHONE (____) _____
NAME OF BUYER/TRANSFeree/LEGAL REPRESENTATIVE/CORPORATE OFFICER (PLEASE PRINT)	TITLE	EMAIL ADDRESS

The Assessor's office may contact you for additional information regarding this transaction.

ADDITIONAL INFORMATION

Please answer all questions in each section, and sign and complete the certification before filing. This form may be used in all 58 California counties. If a document evidencing a change in ownership is presented to the Recorder for recordation without the concurrent filing of a *Preliminary Change of Ownership Report*, the Recorder may charge an additional recording fee of twenty dollars (\$20).

NOTICE: The property which you acquired may be subject to a supplemental assessment in an amount to be determined by the County Assessor. Supplemental assessments are not paid by the title or escrow company at close of escrow, and are not included in lender impound accounts. **You may be responsible for the current or upcoming property taxes even if you do not receive the tax bill.**

NAME AND MAILING ADDRESS OF BUYER: Please make necessary corrections to the printed name and mailing address. Enter Assessor's Parcel Number, name of seller, buyer's daytime telephone number, buyer's email address, and street address or physical location of the real property.

NOTE: Your telephone number and/or email address is very important. If there is a question or a problem, the Assessor needs to be able to contact you.

MAIL PROPERTY TAX INFORMATION TO: Enter the name, address, city, state, and zip code where property tax information should be mailed. This must be a valid mailing address.

PRINCIPAL RESIDENCE: To help you determine your principal residence, consider (1) where you are registered to vote, (2) the home address on your automobile registration, and (3) where you normally return after work. If after considering these criteria you are still uncertain, choose the place at which you have spent the major portion of your time this year. Check YES if the property is intended as your principal residence, and indicate the date of occupancy or intended occupancy.

PART 1: TRANSFER INFORMATION

If you check YES to any of these statements, the Assessor may ask for supporting documentation.

C,D,E, F: If you checked YES to any of these statements, you may qualify for a property tax reassessment exclusion, which may allow you to maintain your property's previous tax base. **A claim form must be filed and all requirements met in order to obtain any of these exclusions.** Contact the Assessor for claim forms. **NOTE:** If you give someone money or property during your life, you may be subject to federal gift tax. You make a gift if you give property (including money), the use of property, or the right to receive income from property without expecting to receive something of at least equal value in return. The transferor (donor) may be required to file Form 709, Federal Gift Tax Return, with the Internal Revenue Service if they make gifts in excess of the annual exclusion amount.

G: Check YES if the reason for recording is to correct a name already on title [e.g., Mary Jones, who acquired title as Mary J. Smith, is granting to Mary Jones]. This is not for use when a name is being removed from title.

H: Check YES if the change involves a lender, who holds title for security purposes on a loan, and who has no other beneficial interest in the property.

"Beneficial interest" is the right to enjoy all the benefits of property ownership. Those benefits include the right to use, sell, mortgage, or lease the property to another. A beneficial interest can be held by the beneficiary of a trust, while legal control of the trust is held by the trustee.

I: A **"cosigner"** is a third party to a mortgage/loan who provides a guarantee that a loan will be repaid. The cosigner signs an agreement with the lender stating that if the borrower fails to repay the loan, the cosigner will assume legal liability for it.

M: This is primarily for use when the transfer is into, out of, or between legal entities such as partnerships, corporations, or limited liability companies. Check YES only if the interest held in each and every parcel being transferred remains exactly the same.

N: Check YES only if property is subject to subsidized low-income housing requirements with governmentally imposed restrictions; property may qualify for a restricted valuation method (i.e., may result in lower taxes).

O: If you checked YES, you may qualify for a new construction property tax exclusion. **A claim form must be filed and all requirements met in order to obtain the exclusion. Contact the Assessor for a claim form.**

PART 2: OTHER TRANSFER INFORMATION

A: The date of recording is rebuttably presumed to be the date of transfer. If you believe the date of transfer was a different date (e.g., the transfer was by an unrecorded contract, or a lease identifies a specific start date), put the date you believe is the correct transfer date. If it is not the date of recording, the Assessor may ask you for supporting documentation.

B: Check the box that corresponds to the type of transfer. If OTHER is checked, please provide a detailed description. Attach a separate sheet if necessary.

PART 3: PURCHASE PRICE AND TERMS OF SALE

It is important to complete this section completely and accurately. The reported purchase price and terms of sale are important factors in determining the assessed value of the property, which is used to calculate your property tax bill. Your failure to provide any required or requested information may result in an inaccurate assessment of the property and in an overpayment or underpayment of taxes.

- A. Enter the total purchase price, not including closing costs or mortgage insurance.

“Mortgage insurance” is insurance protecting a lender against loss from a mortgagor’s default, issued by the FHA or a private mortgage insurer.

- B. Enter the amount of the down payment, whether paid in cash or by an exchange. If through an exchange, exclude the closing costs.

“Closing costs” are fees and expenses, over and above the price of the property, incurred by the buyer and/or seller, which include title searches, lawyer’s fees, survey charges, and document recording fees.

- C. Enter the amount of the First Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

A **“balloon payment”** is the final installment of a loan to be paid in an amount that is disproportionately larger than the regular installment.

- D. Enter the amount of the Second Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

- E. If there was an assumption of an improvement bond or other public financing with a remaining balance, enter the outstanding balance, and mark the applicable box.

An **“improvement bond or other public financing”** is a lien against real property due to property-specific improvement financing, such as green or solar construction financing, assessment district bonds, Mello-Roos (a form of financing that can be used by cities, counties and special districts to finance major improvements and services within the particular district) or general improvement bonds, etc. Amounts for repayment of contractual assessments are included with the annual property tax bill.

- F. Enter the amount of any real estate commission fees paid by the buyer which are not included in the purchase price.

- G. If the property was purchased through a real estate broker, check that box and enter the broker’s name and phone number. If the property was purchased directly from the seller (who is not a family member of one of the parties purchasing the property), check the “Direct from seller” box. If the property was purchased directly from a member of your family, or a family member of one of the parties who is purchasing the property, check the “From a family member” box and indicate the relationship of the family member (e.g., father, aunt, cousin, etc.). If the property was purchased by some other means (e.g., over the Internet, at auction, etc.), check the “OTHER” box and provide a detailed description (attach a separate sheet if necessary).

- H. Describe any special terms (e.g., seller retains an unrecorded life estate in a portion of the property, etc.), seller concessions (e.g., seller agrees to replace roof, seller agrees to certain interior finish work, etc.), broker/agent fees waived (e.g., fees waived by the broker/agent for either the buyer or seller), financing, buyer paid commissions, and any other information that will assist the Assessor in determining the value of the property.

PART 4: PROPERTY INFORMATION

- A. Indicate the property type or property right transferred. Property rights may include water, timber, mineral rights, etc.

- B. Check YES if personal, business property or incentives are included in the purchase price in Part 3. Examples of personal or business property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships (golf, health, etc.), ski lift tickets, homeowners’ dues, etc. Attach a list of items and their purchase price allocation. An adjustment will not be made if a detailed list is not provided.

- C. Check YES if a manufactured home or homes are included in the purchase price. Indicate the purchase price directly attributable to each of the manufactured homes. If the manufactured home is registered through the Department of Motor Vehicles in lieu of being subject to property taxes, check NO and enter the decal number.

- D. Check YES if the property was purchased or acquired with the intent to rent or lease it out to generate income, and indicate the source of that anticipated income. Check NO if the property will not generate income, or was purchased with the intent of being owner-occupied.

- E. Provide your opinion of the condition of the property at the time of purchase. If the property is in “fair” or “poor” condition, include a brief description of repair needed.

REHABILITATION/RESTORATION & MAINTENANCE PLAN

All pricing below has been prepared by J.R. Conkey & Associates.

Rehabilitation/Restoration Plan

Scope: # 1			
Building Feature: Roofing Membrane/Membrane Flashing/Sheet Metal Flashing – Roof & Parapet			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019 and every 20 years thereafter			
Total Cost: \$111,269.00			
Description of work: Replace roofing membrane and associated sheet metal flashing at roof surfaces and parapet. Confirm proper roof slope and drainage for new roof. Repair/replace through-wall scupper as needed. Provide for additional roof drains/overflows to meet code if needed. Follow recommendations of waterproofing consultant.			

Scope: # 2			
Building Feature: Existing Steel Seismic Roof Bracing – Roof & Parapet			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$10,686.00			
Description of work: Inspect to ensure all ties are secure at parapets. Repair as needed. Prepare, prime, and paint.			

Scope: # 3			
Building Feature: Elevator Penthouse – Roof			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$78,481.00			
Description of work: Repair elevator penthouse cladding where removed or damaged. Replace exposed plywood substrate as needed and provide new similar sheet metal paneling to meet new roofing system. Repair existing where feasible. Replace missing door to elevator penthouse for weather resistance, safety, and security. Clean out debris and bird guano, etc. from open/exposed penthouse as needed for proper operation and maintenance of historic elevator. Repair/replace glazing putty/sealant at rooftop skylight as needed. Replace broken/cracked glass as needed. Prepare, prime, and paint glazing putty, metal skylight, and sheet metal at elevator penthouse.			

Scope: # 4			
Building Feature: Brick/Masonry – 4th and 5th Floors South Wall and Southwest Corner (Interior of brick wall)			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$6,576.00			
Description of work: Remove efflorescence and soft/deteriorated mortar caused by moisture infiltration. Spot repoint as needed with compatible/appropriate mortar that matches original in color, texture, and appearance where mortar is deteriorated, loose, unsound, or missing. (Although this area is interior, moisture infiltration is coming from the roof and exterior side of the wall).			

Rehabilitation/Restoration Plan

Scope: # 5			
Building Feature: Brick/Masonry – Basement Floor (Interior face of bearing wall/foundation wall at area under sidewalk)			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed
			Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$17,328.00			
Description of work: Investigate source of moisture. Brush or vacuum to remove efflorescence and repair/repoint brick as needed with compatible/appropriate mortar, especially where deeply eroded/recessed. Treat exposed steel where corroded, and prepare, prime, and paint.			

Scope: # 6			
Building Feature: Wood Windows – Kearny/Pine Elevations			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed
			Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$125,995.00			
Description of work: Inspect and repair wood windows as needed. Repair deteriorated wood, and replace deteriorated glazing putty as needed. Replace cracked/broken/missing glass. Prepare, prime, and paint. Check sealant at perimeter of frame to masonry and replace if needed. Clean, repair/replace broken/missing hardware, and replace sash cords as needed to allow for proper operation.			

Scope: # 7			
Building Feature: Cement Plaster – West Elevation			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed
			Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$131,385.00			
Description of work: Survey and remove deteriorated, unsound, debonded, missing, and cracked cement plaster. Repair substrate as needed and repair and patch cement plaster to match existing adjacent. Remove biological growth at facade by appropriate cleaning using gentle means such as warm water/detergent wash and biocide application. Treat steel exposed during the process, particularly at window heads, and prepare, prime, and paint. Prepare, prime, and repaint cement plaster with appropriate breathable paint.			

Scope: # 8			
Building Feature: Wood Windows – West Elevations			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed
			Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$132,325.00			
Description of work: Replace missing (removed by previous owner) windows with new compatible wood windows similar to historic in appearance, including sash, frame, and trim.			

Rehabilitation/Restoration Plan

Scope: # 9			
Building Feature: Brick/Masonry – Kearny/Pine Elevations			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed <input type="checkbox"/> Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$114,583.00			
Description of work: Consider removing paint from brick pending testing and feasibility, and clean masonry. Remove and clean roofing material from face of parapet. Inspect and repair masonry, and repoint where needed with compatible/appropriate mortar that matches original in color, texture, and appearance where mortar is deteriorated, loose, unsound, or missing. Treat ferrous corrosion where occurs, and prepare, prime, & paint where metal is exposed. Inspect and repair/replace deteriorated parge coat at window sills as needed with appropriate compatible parge. If testing and feasibility of paint removal prove to be inappropriate or prohibitive, prepare, prime, and repaint brick with appropriate breathable coating and every 10 years thereafter or as needed. All work to comply with the NPS Preservation Briefs # 1, #2 and #47.			

Scope: # 10			
Building Feature: Sheet Metal Cornice and Watertable Banding – Kearny/Pine Elevations			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed <input type="checkbox"/> Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$75,131.00			
Description of work: Repair or replace deteriorated sheet metal elements to match original at cornice and watertable banding. Patch where possible. Remove corrosion, prepare, prime, and paint and every 10 years thereafter or as needed.			

Scope: # 11			
Building Feature: Metal Window Lintels – Kearny/Pine Elevations			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed <input type="checkbox"/> Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$32,880.00			
Description of work: Remove corrosion, prepare, prime, and paint and every 10 years thereafter or as needed. Repair substrate as needed.			

Scope: # 12			
Building Feature: Metal Fire Escape – Pine Street Elevation			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed <input type="checkbox"/> Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$3,452.00			
Description of work: Inspect fire escape to comply with codes as needed. Repair deteriorated metal as needed. Remove corrosion, prepare, prime, and paint.			

Rehabilitation/Restoration Plan

Scope: # 13			
Building Feature: Elevator and Stair (Structurally Connected System) – Interior			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed
			Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2019			
Total Cost: \$986.00			
Description of work: Reattach loose elements and make general repairs/stabilize at interior stair and elevator.			

Scope: # 14			
Building Feature: Kearny/Pine Street Storefront – Replacement/Rehabilitation			
Rehab/Restoration	<input checked="" type="checkbox"/>	Maintenance	Completed
			Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029			
Total Cost: \$250,000.00			
Description of work: Remove non-historic portions of the two southernmost entries to install a new more compatible storefront system. Remove non-original marble and rehabilitate brick if feasible or replace with a more compatible cladding. Retain and rehabilitate the historic wood transoms. Consideration should be given to ADA compliance requirements.			

Maintenance Plan

Scope: # 15			
Building Feature: Roofing Membrane/Membrane Flashing/Sheet Metal Flashing – Roof and Parapet			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$2,406.00			
Description of work: Inspect annually and repair as needed, including scuppers and roof drains. Clean scuppers and roof drains annually and as needed.			

Scope: # 16			
Building Feature: Roofing Membrane/Membrane Flashing/Sheet Metal Flashing – Roof and Parapet			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$32,995.00			
Description of work: Repair as needed. Prepare, prime, and paint sheet metal every 10 years, or as needed.			

Scope: # 17			
Building Feature: Existing Steel Seismic Roof Bracing – Roof and Parapet			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$4,899.00			
Description of work: Inspect annually and repair as needed. Prepare, prime, and paint at repairs as needed.			

Scope: # 18			
Building Feature: Existing Steel Seismic Roof Bracing – Roof and Parapet			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$12,330.00			
Description of work: Repair as needed. Prepare, prime, and paint steel seismic roof bracing every 10 years, or as needed.			

Scope: # 19			
Building Feature: Elevator Penthouse – Roof			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$756.00			
Description of work: Inspect annually and repair glass, glazing putty/sealant, metal skylight components, and metal cladding as needed.			

Scope: # 20			
Building Feature: Elevator Penthouse – Roof			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter.			
Total Cost: \$22,194.00			
Description of work: Repair as needed. Prepare, prime, and paint glazing putty, metal skylight, and metal cladding every 10 years, or as needed.			

Maintenance Plan

Scope: # 21			
Building Feature: Brick/Masonry – Basement Floor (Interior face of bearing wall/foundation wall)			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$1,973.00			
Description of work: Perform visual inspection annually for signs of moisture, efflorescence, and deterioration, including signs of corrosion at steel elements. Clean and repair as needed. Prepare, prime, and paint steel as needed.			

Scope: # 22			
Building Feature: Brick/Masonry – Basement Floor (Interior face of bearing wall/foundation wall)			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029			
Total Cost: \$19,728.00			
Description of work: Prepare, prime, and paint steel elements as needed.			

Scope: # 23			
Building Feature: Wood Windows – Kearny/Pine/and West Elevations			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$1,512.00			
Description of work: Perform visual inspection annually for paint, glazing putty/sealant, and perimeter sealant failure and other signs of deterioration. Maintain sash cords/hardware, weeps in west windows, and repair as needed.			

Scope: #24			
Building Feature: Wood Windows – Kearny/Pine/and West Elevations			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$13,152.00			
Description of work: Prepare, prime, and paint wood windows, and install new perimeter sealant every 10 years or as needed.			

Scope: # 25			
Building Feature: Cement Plaster – West Elevation			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$2,269.00			
Description of work: Perform visual inspection annually for paint failure as well as other signs of deterioration including cracking, spalling, etc. Repair as needed.			

Scope: # 26			
Building Feature: Cement Plaster – West Elevation			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$17,059.00			
Description of work: Prepare, prime, and paint cement plaster every 10 years or as needed.			

Maintenance Plan

Scope: # 27			
Building Feature: Kearny/Pine Street Storefront			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$1,512.00			
Description of work: Perform visual inspection of the two southernmost entries annually for paint, glazing putty/sealant, and perimeter sealant failure and other signs of deterioration. Maintain hardware and weeps where occurs, and repair as needed.			

Scope: # 28			
Building Feature: Kearny/Pine Street Storefront			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$14,928.00			
Description of work: Prepare, prime, and paint painted wood components, and install new perimeter sealant every 10 years or as needed at the two southernmost entries			

Scope: # 29			
Building Feature: Brick/Masonry – Kearny/Pine Elevations			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$3,978.00			
Description of work: Perform visual inspection annually of brick masonry and cementitious parge for cracking, spalling, and signs of deterioration including mortar joints. If façade remains painted, inspect for signs of peeling and deterioration at paint coating as well. Repair and repaint as needed.			

Scope: # 30			
Building Feature: Brick/Masonry – Kearny/Pine Elevations			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$40,424.00			
Description of work: Prepare, prime, and repaint painted brick with appropriate breathable coating and every 10 years thereafter or as needed.			

Scope: # 31			
Building Feature: Sheet Metal Cornice and Watertable Banding – Kearny/Pine Elevations			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$822.00			
Description of work: Perform visual inspection annually of sheet metal cornice and watertable banding for signs of peeling paint, corrosion, or other deterioration. Repair and repaint as needed.			

Maintenance Plan

Scope: # 32			
Building Feature: Sheet Metal Cornice and Watertable Banding – Kearny/Pine Elevations			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$8,220.00			
Description of work: Remove corrosion, prepare, prime, and paint sheet metal elements and every 10 years or as needed. Repair metal substrate as needed.			

Scope: # 33			
Building Feature: Metal Window Lintels – Kearny/Pine Elevations			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$1,233.00			
Description of work: Perform visual inspection annually of metal lintels for signs of peeling paint, corrosion, or other deterioration. Repair and repaint as needed.			

Scope: # 34			
Building Feature: Metal Window Lintels – Kearny/Pine Elevations			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$6,576.00			
Description of work: Remove corrosion, prepare, prime, and paint metal lintels and every 10 years or as needed. Repair metal substrate as needed.			

Scope: # 35			
Building Feature: Metal Fire Escape – Pine Street Elevation			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter			
Total Cost: \$493.00			
Description of work: Perform visual inspection annually of fire escape for signs of peeling paint, corrosion, or other deterioration. Inspect as needed for code compliance. Repair and repaint as needed.			

Scope: # 36			
Building Feature: Metal Fire Escape – Pine Street Elevation			
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed Proposed <input checked="" type="checkbox"/>
Contract year work completion: 2029 and every 10 years thereafter			
Total Cost: \$5,918.00			
Description of work: Remove corrosion, prepare, prime, and paint metal fire escape and every 10 years or as needed. Repair metal substrate as needed.			

Maintenance Plan

Scope: # 37					
Building Feature: Elevator and Stair – Interior					
Rehab/Restoration	Maintenance	<input checked="" type="checkbox"/>	Completed	Proposed	<input checked="" type="checkbox"/>
Contract year work completion: 2020 and annually thereafter.					
Total Cost: \$1,841.00					
Description of work:					
Perform inspection annually and maintain elevator equipment and operation.					



CONCEPTUAL ESTIMATE

Project: 353 KEARNY STREET, SAN FRANCISCO, CA

MAY 30, 2018

Rehabilitation, Restoration Plan

	Quantity	Unit	Unit Price	Subtotal	Mark-up % 64.40%	Total Cost (CURRENT)	TOTAL Per Item 2018
1 Building Feature: Roofing Membrane/Membrane Flashing/Sheet Metal Flashing – Roof and Parapet							\$ 111,269
Demo (E) Roofing.	2,007	SF	\$ 6.00	\$ 12,042	\$ 7,755	\$ 19,797	
Replace roofing membrane and associated sheet metal flashing at roof surfaces and parapet.	2,007	SF	\$ 20.00	\$ 40,140	\$ 25,850	\$ 65,990	
Repair/replace through-wall scupper as needed.	1	LS	\$ 500.00	\$ 500	\$ 322	\$ 822	
Provide for additional waterproofing, roof drains/overflows to meet code if needed.	1	ALLOW	\$ 15,000.00	\$ 15,000	\$ 9,660	\$ 24,660	
2 Building Feature: Existing Steel Seismic Roof Bracing – Roof and Parapet							\$ 10,686
Inspect to ensure all ties are secure at parapets.	4	HOURS	\$ 125.00	\$ 500	\$ 322	\$ 822	
Repair as needed.	1	ALLOW	\$ 2,500.00	\$ 2,500	\$ 1,610	\$ 4,110	
Prepare, prime, and paint.	1	ALLOW	\$ 3,500.00	\$ 3,500	\$ 2,254	\$ 5,754	
3 Building Feature: Elevator Penthouse – Roof							\$ 78,481
Repair elevator penthouse cladding where removed or damaged.	1	LS	\$ 25,000.00	\$ 25,000	\$ 16,100	\$ 41,100	
Replace exposed plywood substrate as needed and provide new similar sheet metal paneling to meet new roofing system.	1	LS	\$ 2,500.00	\$ 2,500	\$ 1,610	\$ 4,110	
Replace missing door to elevator penthouse for weather resistance, safety, and security.	1	LS	\$ 4,500.00	\$ 4,500	\$ 2,898	\$ 7,398	
Clean out debris and bird guano, etc. from open/exposed penthouse as needed for proper operation and maintenance of historic elevator.	16	HOURS	\$ 113.00	\$ 1,808	\$ 1,164	\$ 2,972	
Repair/replace glazing putty/sealant at rooftop skylight as needed.	16	HOURS	\$ 125.00	\$ 2,000	\$ 1,288	\$ 3,288	
Replace broken/cracked glass as needed.	64	SF	\$ 120.00	\$ 7,680	\$ 4,946	\$ 12,626	
Prepare, prime, and paint glazing putty, metal skylight, and sheet metal at elevator penthouse.	1	LS	\$ 4,250.00	\$ 4,250	\$ 2,737	\$ 6,987	
4 Building Feature: Brick/Masonry – 4th and 5th Floors South Wall and Southwest Corner (Interior of brick wall)							\$ 6,576
Remove efflorescence and soft/deteriorated mortar caused by moisture infiltration.	100	SF	\$ 15.00	\$ 1,500	\$ 966	\$ 2,466	
Spot repoint as needed with compatible/appropriate mortar that matches original in color, texture, and appearance where mortar is deteriorated, loose, unsound, or missing.	100	SF	\$ 25.00	\$ 2,500	\$ 1,610	\$ 4,110	
5 Building Feature: Brick/Masonry – Basement Floor (Interior face of bearing wall/foundation wall)							\$ 17,328
Investigate source of moisture.	8	HOURS	\$ 125.00	\$ 1,000	\$ 644	\$ 1,644	
Brush or vacuum to remove efflorescence and repair/repoint brick as needed with compatible/appropriate mortar, especially where deeply eroded/recessed.	1,272	SF	\$ 5.00	\$ 6,360	\$ 4,096	\$ 10,456	
Treat exposed steel where corroded, and prepare, prime, and paint. with compatible/appropriate mortar, especially where deeply eroded/recessed.	1,272	SF	\$ 2.50	\$ 3,180	\$ 2,048	\$ 5,228	
6 Building Feature: Wood Windows – Kearny/Pine Elevations							\$ 125,995
Inspect and repair wood windows as needed.	149	HOURS	\$ 150.00	\$ 22,409	\$ 14,432	\$ 36,841	
Repair deteriorated wood, replace deteriorated glazing putty as needed.	58	EA	\$ 210.00	\$ 12,180	\$ 7,844	\$ 20,024	
Replace cracked/broken/missing glass.	58	EA	\$ 200.00	\$ 11,600	\$ 7,470	\$ 19,070	
Prepare, prime, and paint.	58	EA	\$ 175.00	\$ 10,150	\$ 6,537	\$ 16,687	
Check sealant at perimeter of frame to masonry and replace if needed.	58	EA	\$ 125.00	\$ 7,250	\$ 4,669	\$ 11,919	
Clean, repair/replace broken/missing hardware, and replace sash cords as needed to allow for proper operation.	58	EA	\$ 225.00	\$ 13,050	\$ 8,404	\$ 21,454	



CONCEPTUAL ESTIMATE

Project: 353 KEARNY STREET, SAN FRANCISCO, CA

MAY 30, 2018

Rehabilitation, Restoration Plan

	Quantity	Unit	Unit Price	Subtotal	Mark-up % 64.40%	Total Cost (CURRENT)	TOTAL Per Item 2018
7 Building Feature: Cement Plaster – West Elevation							\$ 131,385
Survey and remove deteriorated, unsound, debonded, missing, and cracked cement plaster.	40	HOURS	\$ 150.00	\$ 6,000	\$ 3,864	\$ 9,864	
Repair substrate as needed and repair and patch cement plaster to match existing adjacent.	2,753	SF	\$ 15.00	\$ 41,295	\$ 26,594	\$ 67,889	
Remove biological growth at facade by appropriate cleaning using gentle means such as warm water/detergent wash and biocide application.	2,753	SF	\$ 6.00	\$ 16,518	\$ 10,638	\$ 27,156	
Treat steel exposed during the process, particularly at window heads, and prepare, prime, and paint.	2,753	SF	\$ 3.00	\$ 8,259	\$ 5,319	\$ 13,578	
Prepare, prime, and repaint cement plaster with appropriate breathable paint.	2,753	SF	\$ 2.85	\$ 7,846	\$ 5,053	\$ 12,899	
8 Building Feature: Wood Windows – West Elevations							\$ 132,325
Replace missing (removed by previous owner) windows with new compatible wood windows similar to historic in appearance, including sash, frame, and trim.	32	EA	\$ 2,165.30	\$ 69,290	\$ 44,623	\$ 113,912	
Interior/ exterior trim and sill package add.	32	EA	\$ 350.00	\$ 11,200	\$ 7,213	\$ 18,413	
9 Building Feature: Brick/Masonry – Kearny/Pine Elevations							\$ 114,583
Remove and clean roofing material from face of parapet.	705	SF	\$ 2.85	\$ 2,009	\$ 1,294	\$ 3,303	
Inspect and repair masonry, and repoint where needed with compatible/appropriate mortar that matches original in color, texture, and appearance where mortar is deteriorated, loose, unsound, or missing.	6,527	SF	\$ 3.00	\$ 19,581	\$ 12,610	\$ 32,191	
Treat ferrous corrosion where occurs, and prepare, prime, & paint where metal is exposed.	7,232	SF	\$ 3.00	\$ 21,696	\$ 13,972	\$ 35,668	
Inspect and repair/replace deteriorated parge coat at window sills as needed with appropriate compatible parge.	58	EA	\$ 100.00	\$ 5,800	\$ 3,735	\$ 9,535	
If testing and feasibility of paint removal prove to be inappropriate or prohibitive, prepare, prime, and repaint brick with appropriate breathable coating and every 10 years thereafter or as needed.	7,232	SF	\$ 2.85	\$ 20,611	\$ 13,274	\$ 33,885	
10 Building Feature: Sheet Metal Cornice and Water table Banding – Kearny/Pine Elevations							\$ 75,131
Repair or replace deteriorated sheet metal elements to match original at cornice and water table banding.	141	LF	\$ 200.00	\$ 28,200	\$ 18,161	\$ 46,361	
Patch where possible.	1	LS	\$ 2,500.00	\$ 2,500	\$ 1,610	\$ 4,110	
Remove corrosion, prepare, prime, and paint and every 10 years thereafter or as needed.	1	LS	\$ 15,000.00	\$ 15,000	\$ 9,660	\$ 24,660	
11 Building Feature: Metal Window Lintels – Kearny/Pine Elevations							\$ 32,880
Remove corrosion, prepare, prime, and paint and every 10 years thereafter or as needed. Repair substrate as needed.	1	LS	\$ 20,000.00	\$ 20,000	\$ 12,880	\$ 32,880	
12 Building Feature: Metal Fire Escape – Pine Street Elevation							\$ 3,452
Inspect fire escape to comply with codes as needed.	4	HOURS	\$ 150.00	\$ 600	\$ 386	\$ 986	
Repair deteriorated metal as needed.	24	TBD		\$ -	\$ -	\$ -	
Remove corrosion, prepare, prime, and paint.	1	LS	\$ 1,500.00	\$ 1,500	\$ 966	\$ 2,466	
13 Building Feature: Elevator and Interior Stairwell							\$ 986
Inspect elevator and interior stairwell for code compliance.	4	HOURS	\$ 150.00	\$ 600	\$ 386	\$ 986	
14 Building Feature: Kearny/Pine Street Storefront – Replacement/Rehabilitation							\$ 250,000
Remove non-historic portion of storefront to install a new more compatible storefront system.	454	SF	\$ 309.95	\$ 140,718	\$ 90,622	\$ 231,341	
Repair and retain historic materials as determined by further investigation.	454	SF	\$ 25.00	\$ 11,350	\$ 7,309	\$ 18,659	



CONCEPTUAL ESTIMATE

Project: 353 KEARNY STREET, SAN FRANCISCO, CA

MAY 30, 2018

Maintenance Plan

	Quantity	Unit	Unit Price	Subtotal	Mark-up % 64.40%	Total Cost (CURRENT)	TOTAL Per Item 2018
15 Building Feature: Roofing Membrane/Membrane Flashing/Sheet Metal Flashing – Roof and Parapet Inspect annually and repair as needed, including scuppers and roof drains. Clean scuppers and roof drains annually and as needed.	2,007	SF	\$ 0.50	\$ 1,004	\$ 646	\$ 1,650	\$ 2,406
	4	HOURS	\$ 115.00	\$ 460	\$ 296	\$ 756	
16 Building Feature: Roofing Membrane/Membrane Flashing/Sheet Metal Flashing – Roof and Parapet Repair as needed. Prepare, prime, and paint sheet metal every 10 years, or as needed.	2,007	SF	\$ 5.00	\$ 10,035	\$ 6,463	\$ 16,498	\$ 32,995
	2,007	SF	\$ 5.00	\$ 10,035	\$ 6,463	\$ 16,498	
17 Building Feature: Existing Steel Seismic Roof Bracing – Roof and Parapet Inspect annually and repair as needed. Prepare, prime, and paint at repairs as needed.	4	HOURS	\$ 120.00	\$ 480	\$ 309	\$ 789	\$ 4,899
	1	ALLOW	\$ 2,500.00	\$ 2,500	\$ 1,610	\$ 4,110	
18 Building Feature: Existing Steel Seismic Roof Bracing – Roof and Parapet Repair as needed. Prepare, prime, and paint steel seismic roof bracing every 10 years, or as needed.	1	ALLOW	\$ 5,000.00	\$ 5,000	\$ 3,220	\$ 8,220	\$ 12,330
	1	ALLOW	\$ 2,500.00	\$ 2,500	\$ 1,610	\$ 4,110	
19 Building Feature: Elevator Penthouse – Roof Inspect annually and repair glass, glazing putty/sealant, metal skylight components, and metal cladding as needed.	4	HOURS	\$ 115.00	\$ 460	\$ 296	\$ 756	\$ 756
20 Building Feature: Elevator Penthouse – Roof Repair as needed. Prepare, prime, and paint glazing putty, metal skylight, and metal cladding every 10 years, or as needed.	1	ALLOW	\$ 3,500.00	\$ 3,500	\$ 2,254	\$ 5,754	\$ 22,194
	1	ALLOW	\$ 10,000.00	\$ 10,000	\$ 6,440	\$ 16,440	
21 Building Feature: Brick/Masonry – Basement Floor (Interior face of bearing wall/foundation wall) Perform visual inspection annually for signs of moisture, efflorescence, and deterioration, including signs of corrosion at steel elements. Clean and repair as needed, prepare paint steel as needed.	8	HOURS	\$ 150.00	\$ 1,200	\$ 773	\$ 1,973	\$ 1,973
22 Building Feature: Brick/Masonry – Basement Floor (Interior face of bearing wall/foundation wall) Prepare, prime, and paint steel elements as needed and every 10 years thereafter.	1	ALLOW	\$ 12,000.00	\$ 12,000	\$ 7,728	\$ 19,728	\$ 19,728
23 Building Feature: Wood Windows – Kearny/Pine/and West Elevations Perform visual inspection annually for paint, glazing putty/sealant, and perimeter sealant failure and other signs of deterioration. Maintain sash cords/hardware, weeps in west windows, and repair as needed.	4	HOURS	\$ 115.00	\$ 460	\$ 296	\$ 756	\$ 1,512
	4	HOURS	\$ 115.00	\$ 460	\$ 296	\$ 756	
24 Building Feature: Wood Windows – Kearny/Pine/and West Elevations Perform visual inspection annually for paint, glazing putty/sealant, and perimeter sealant failure and other signs of deterioration.	64	HOURS	\$ 125.00	\$ 8,000	\$ 5,152	\$ 13,152	\$ 13,152
25 Building Feature: Cement Plaster – West Elevation Perform visual inspection annually for paint failure as well as other signs of deterioration including cracking, spalling, etc. Repair as needed.	4	HOURS	\$ 115.00	\$ 460	\$ 296	\$ 756	\$ 2,269
	8	HOURS	\$ 115.00	\$ 920	\$ 592	\$ 1,512	



CONCEPTUAL ESTIMATE

Project: 353 KEARNY STREET, SAN FRANCISCO, CA

MAY 30, 2018

Maintenance Plan

	Quantity	Unit	Unit Price	Subtotal	Mark-up % 64.40%	Total Cost (CURRENT)	TOTAL Per Item 2018
26 Building Feature: Cement Plaster – West Elevation Prepare, prime, and paint cement plaster every 10 years or as needed.	3,052	SF	\$ 3.40	\$ 10,377	\$ 6,683	\$ 17,059	\$ 17,059
27 Building Feature: Kearny/Pine Street Storefront Perform visual inspection annually for paint, glazing putty/sealant, and perimeter sealant failure and other signs of deterioration. Maintain hardware and weeps where occurs, and repair as needed.	8	HOURS	\$ 115.00	\$ 920	\$ 592	\$ 1,512	\$ 1,512
28 Building Feature: Kearny/Pine Street Storefront Prepare, prime, and paint painted wood components, and install new perimeter sealant every 10 years or as needed.	454	SF	\$ 20.00	\$ 9,080	\$ 5,848	\$ 14,928	\$ 14,928
29 Building Feature: Brick/Masonry – Kearny/Pine Elevations Perform visual inspection annually of brick masonry and cementitious parge for cracking, spalling, and signs of deterioration including mortar joints. If façade remains painted, inspect for signs of peeling and deterioration at paint coating as well. Repair and repaint as needed.	4 4 1	HOURS HOURS ALLOW	\$ 115.00 \$ 115.00 \$ 1,500.00	\$ 460 \$ 460 \$ 1,500	\$ 296 \$ 296 \$ 966	\$ 756 \$ 756 \$ 2,466	\$ 3,978
30 Building Feature: Brick/Masonry – Kearny/Pine Elevations Prepare, prime, and repaint painted brick with appropriate breathable coating and every 10 years thereafter or as needed.	7,232	SF	\$ 3.40	\$ 24,589	\$ 15,835	\$ 40,424	\$ 40,424
31 Building Feature: Sheet Metal Cornice and Water table Banding – Kearny/Pine Elevations Perform visual inspection annually of sheet metal cornice and water table banding for signs of peeling paint, corrosion, or other deterioration. Repair and repaint as needed.	4	HOURS	\$ 125.00	\$ 500	\$ 322	\$ 822	\$ 822
32 Building Feature: Sheet Metal Cornice and Water table Banding – Kearny/Pine Elevations Remove corrosion, prepare, prime, and paint sheet metal elements and every 10 years or as needed. Repair metal substrate as needed.	1 1	ALLOW ALLOW	\$ 3,500.00 \$ 1,500.00	\$ 3,500 \$ 1,500	\$ 2,254 \$ 966	\$ 5,754 \$ 2,466	\$ 8,220
33 Building Feature: Metal Window Lintels – Kearny/Pine Elevations Perform visual inspection annually of metal lintels for signs of peeling paint, corrosion, or other deterioration. Repair and repaint as needed.	6	HOURS	\$ 125.00	\$ 750	\$ 483	\$ 1,233	\$ 1,233
34 Building Feature: Metal Window Lintels – Kearny/Pine Elevations Remove corrosion, prepare, prime, and paint metal lintels and every 10 years or as needed. Repair metal substrate as needed.	1 1	ALLOW ALLOW	\$ 3,000.00 \$ 1,000.00	\$ 3,000 \$ 1,000	\$ 1,932 \$ 644	\$ 4,932 \$ 1,644	\$ 6,576
35 Building Feature: Exterior Fire Escape Perform visual inspection annually of metal for signs of peeling paint, corrosion, or other deterioration. Repair and repaint as needed.	2	HOURS	\$ 150.00	\$ 300	\$ 193	\$ 493	\$ 493
36 Building Feature: Exterior Fire Escape Remove corrosion, prepare, prime, and paint metal and every 10 years or as needed.	24	HOURS	\$ 150.00	\$ 3,600	\$ 2,318	\$ 5,918	\$ 5,918
37 Building Feature: Elevator and Interior Stairwell Inspection. Perform visual inspection annually of metal for signs of peeling paint, corrosion, or other deterioration. Repair and repaint as needed.	8	HOURS	\$ 140.00	\$ 1,120	\$ 721	\$ 1,841	\$ 1,841

II. EXEMPTION STATEMENT AND SIGNIFICANCE EVALUATION

EXEMPTION STATEMENT

The Mills Act Historical Property Contract requires all commercial properties that are assessed at a value of more than \$5M to include a Historic Structure Report (HSR) as part of the application. Representatives of the San Francisco Planning Department have indicated that the HSR could be limited in scope and should include, at minimum, a brief history of the building, a description of the building's historic condition, a summary of its existing condition, and an outline of short-term and long-term recommendations for rehabilitation.

This limited Historic Structure Report, together with the Rehabilitation/Restoration & Maintenance Plan, serves to fulfill the requirements of the Mills Act and primarily focuses on conditions and treatment recommendations for the exterior of the building.

III. HISTORIC STRUCTURE REPORT

BRIEF HISTORY OF 353 KEARNY STREET

353 Kearny Street was built in 1907 during the early stages of post-earthquake recovery in San Francisco's commercial-retail district north of Market Street.¹ During the decade leading up to the 1906 earthquake, Kearny Street became well-known as the city's hotel and retail core. Following the earthquake and subsequent fires, Kearny Street was envisioned to become a commercial corridor lined with some of the city's marquis retail stores and renowned hotels.² 353 Kearny Street was designed in the Renaissance Revival style by the prominent San Francisco-based architectural firm of (David) Salfeld & (Hermann) Kohlberg, and was built by American Hawaiian Construction Co. for owner Rosenbaum Estate Co.³ Although original plans by Salfeld & Kohlberg depict a four-story-over-basement structure, the building was completed as a five-story-over-basement structure. The building, along with the neighboring MacDonough Building to its immediate south, joined numerous post-earthquake commercial buildings in reshaping Kearny Street's architectural character during the early 20th century. According to newspaper articles published between 1906 and 1910, 353 Kearny Street was among the earliest buildings to have been constructed following the earthquake and fires and neared completion in September 1907.⁴

Between 1907 and 1910, the building was utilized by commercial and retail tenants as originally designed, with three ground-floor units for retail use, and upper floors with office spaces featuring "all conveniences, light, heat, and elevator service," as marketed in the San Francisco Call newspaper.⁵ Beginning in 1910, hotelier Antoine Vayssie leased the entire building from the Rosenbaum Estate Co. for six years. Vayssie, well-known for his success in the hotel industry, renovated the interior of the building, resulting in the conversion of upper-stories from office units to hotel rooms and the introduction of a saloon within the ground floor.⁶ Between 1910 and 1930, the building was listed as the Hotel Bronx in city directories. Between 1930 and the early 1940s, the building was known as the Hotel Kearny. Following the Second World War, the building's use transitioned from hotel back to a commercial-office building. Since the mid-1950s, the subject building has been known as the Kearny-Pine Building. In 1953, the building's ground floor was utilized by businesses including a barber shop and adjacent coffee shop, while upper stories included offices for commercial artists and a jeweler. In 1960, the building was shown to be roughly half-occupied by tenants but reached full occupancy by the 1970s, during which time office units were rented out primarily to commercial artists.⁷ Since the 1970s, 353 Kearny has continued to serve primarily as an office building with retail or restaurant uses on its ground floor.

¹ "MacDonough Building," *San Francisco Call*, September 21, 1907, 7.

² "Kearny Will Be a Show Street," *San Francisco Call*, September 1906, 1906, 52.

³ Building Permit Application, 5670, November 7, 1906, on file at San Francisco Department of Building Inspection.

⁴ "MacDonough Building," *San Francisco Call*, September 21, 1907, 7.

⁵ "To Lease," *San Francisco Call*, March 13, 1907, 11; and, "Offices and Stores to Let," *San Francisco Call*, October 22, 1907, 11.

⁶ "Will Make Business In Building Hotel—Antoine Vayssie Leases a Kearny Street Structure," *San Francisco Call*, February 12, 1910, 17. The Sanborn Map Company's 1913 fire insurance survey map indicates a saloon as the use of one of the ground floor units of the building.

⁷ See San Francisco City Directories published between 1953 and 1970, on file at San Francisco Public Library.

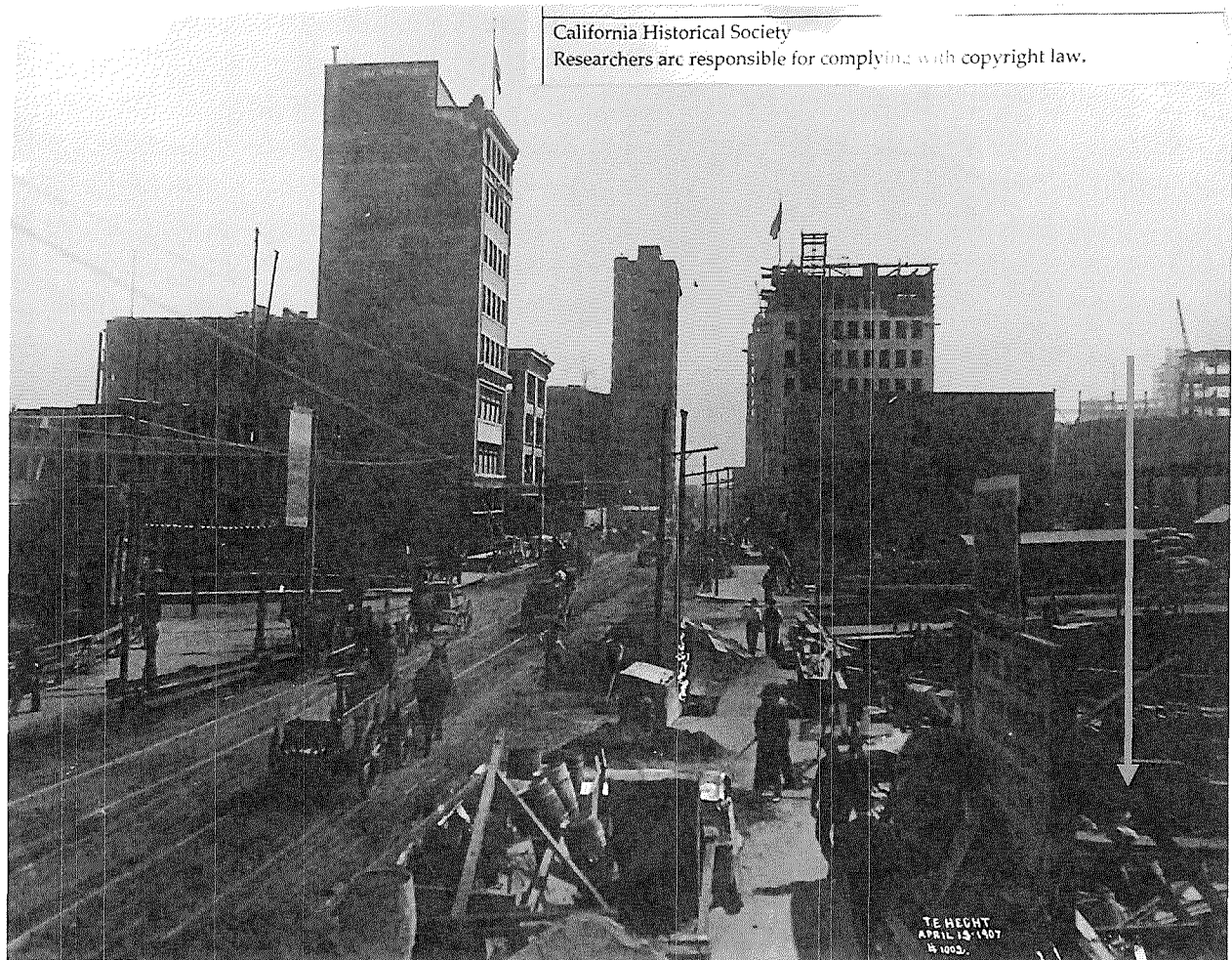


Figure 1: Looking south along Kearny Street from Pine Street, April 13, 1907. Photograph by T.E. Hecht. This photograph was taken adjacent to the subject site (indicated with orange arrow) during the period of recovery and reconstruction following the 1906 earthquake and fires. Source: California Historical Society. Edited by Page & Turnbull.

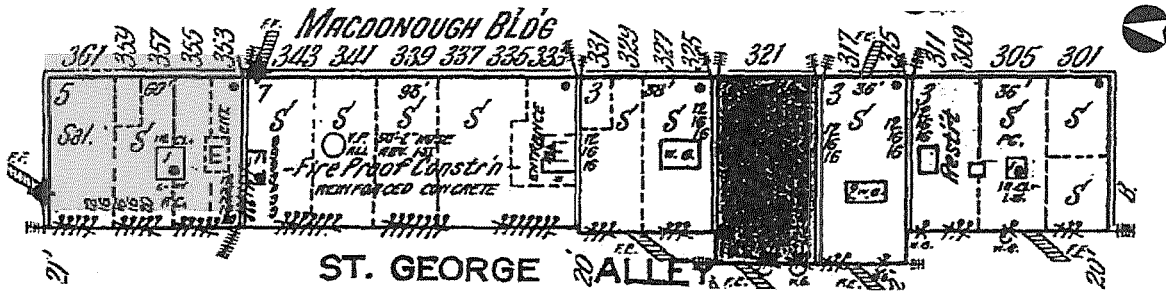


Figure 2: Sanborn Map Co.'s 1913 fire insurance survey. Subject building is shaded orange.
Source: San Francisco Public Library. Edited by Page & Turnbull.



Figure 3: 353 Kearny Street (indicated with orange arrow) photographed ca. 1922.
Source: OpenSFHistory / wnp30.0019.jpg.
Edited by Page & Turnbull.

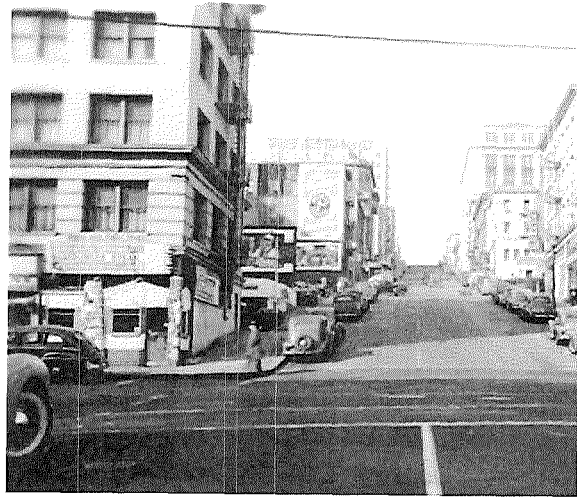


Figure 4: Partial view of subject building, 1946. Source: San Francisco Public Library, photograph AAB-5037.
Edited by Page & Turnbull.



Figure 5: Inverted Assessor's negative looking toward 353 Kearny Street. Photograph taken October 15, 1962. Source: San Francisco Public Library.



Figure 6: Figure 5: Non-inverted Assessor's negative looking toward 353 Kearny Street. Photograph taken October 15, 1962. Source: San Francisco Public Library.



Figure 7: 353 Kearny Street photographed January 24, 1957. Source: SFMTA Photography Department & Archive, Photograph X3840_1.



Figure 8: Zoomed view of 353 Kearny from photograph taken January 24, 1957. Source: SFMTA Photography Department & Archive, Photograph X3840_1.

HISTORIC SIGNIFICANCE

353 Kearny Street is currently designated as a Category IV building by the San Francisco Planning Department. As a Category IV building, 353 Kearny Street is a contributor to the Kearny-Market-Mason-Sutter Conservation District as defined in Article 11, Appendix E of the San Francisco Municipal Code.⁸ As a contributing building to the Conservation District, 353 Kearny embodies the architectural features and cohesion of early 20th century commercial buildings within the district. In 353 Kearny Street's case, the building provides a good example of a commercial building designed in the Renaissance Revival style. The building's massing, scale, architectural features and ornamentation are highly reflective of the architectural characteristics of the Kearny-Market-Mason-Sutter Conservation District's architectural characteristics.

Kearny-Market-Mason-Sutter Conservation District

The Kearny-Market-Mason-Sutter Conservation District covers an area of the downtown that has historically been related to the emergence of retail development in San Francisco. As outlined in Appendix E of Article 11, the Kearny-Market-Mason-Sutter Conservation District is characterized by small-scale, light-colored buildings, predominantly four- to eight-stories in height, that are designed by architects trained in the Beaux-Arts Classical tradition. The majority of the buildings have ornamentation derived from Classical, Renaissance, Gothic, Romanesque, and in some cases Spanish Colonial. Of the 324 buildings located in this Conservation District, 114 buildings are rated as Significant Buildings and 140 buildings are rated as Contributory Buildings, while 98 are Non-Contributing. For the majority of the buildings in the Conservation District boundaries, the facades are composed of a three-part vertical composition consisting of a base, shaft and capital completed in a variety of compatible materials including terracotta, brick, stone, and stucco.⁹

The period of significance of the Kearny-Market-Sutter Conservation District is not expressly stated in Article 11, Appendix E. Review of district features and characteristics described in Article 11, Appendix E suggests a likely period of significance for the district of ca. 1906-ca. 1930.

Character-Defining Features¹⁰

The exterior architectural features of the Kearny-Market-Mason-Sutter Conservation District are as follows:

- (a) **Massing and Composition.** The compositions of the building facades reflect the different architectural functions of the building. For the most part, building facades in the district are two- or three-part vertical compositions consisting either of a base and a shaft, or a base, a shaft and a capital. In more elaborate designs, transitional stories create a stacked composition, but the design effect is similar.

In addition, the facade of a building is often divided into bays expressing the structure (commonly steel and reinforced concrete) beneath the facade. This was accomplished through fenestration, structural articulation or other detailing which serves to break the facade

⁸ San Francisco Planning Depart, *City and County of San Francisco Municipal Code*, Article 11, Appendix E: the Kearny-Market-Mason-Sutter Conservation District.

⁹ San Francisco Planning Depart, *City and County of San Francisco Municipal Code*, Article 11, Appendix E: the Kearny-Market-Mason-Sutter Conservation District.

¹⁰ Page & Turnbull has compiled these character-defining features from discussion of the district's "Features" as discussed in Features of Article 11, Appendix E, Sec. 6.

into discrete segments. A common compositional device in the District is an emphasis placed upon either the end bays or the central bay.

The massing of the structures is usually a simple vertically oriented rectangle with a ratio of width to height generally from 1:2 to 1:4. This vertically oriented massing is an important characteristic of the District. In addition, continuous street wall heights are a characteristic of most blockfronts.

Almost without exception, the buildings in the Kearny-Market-Mason-Sutter Conservation District are built to the front property line and occupy the entire site. Where buildings have not followed this rule, they do not adequately enclose the street. The massing of structures often reflects unique or prominent site characteristics. Corner buildings often have rounded corner bays to express the special requirements of the site and to tie its two blockfronts together.

- (b) **Scale.** The buildings are of small to medium scale. The bay width is generally from 20 feet to 30 feet. Heights generally range from four to eight stories on lots 40 feet to 80 feet wide, although a number of taller buildings exist. The wider frontages are often broken up by articulation of the facade, making the buildings appear narrower. The base is generally delineated from the rest of the building giving the District an intimate scale at the street.
- (c) **Materials and Colors.** Buildings are usually clad in masonry materials over a supporting structure. The cladding materials include terra cotta, brick, stone and stucco. Wood, metal and metal panels are not facade materials, although painted wood and metal are sometimes used for window sash and ornament.

The materials are generally colored light or medium earth tones, including white, cream, buff, yellow, and brown. Individual buildings generally use a few different tones of one color.

To express the mass and weight of the structure, masonry materials are used on multidimensional wall surfaces with texture and depth, which simulates the qualities necessary to support the weight of a load-bearing wall.

- (d) **Detailing and Ornamentation.** This area has been the heart of the retail district since it was reconstructed after the 1906 Earthquake and Fire. Buildings use the expression of texture and depth on masonry material (e.g., rustication, deeply recessed windows) to simulate the appearance of load-bearing walls. The buildings are not constructed in a single style, but with ornament drawn from a variety of historical sources, primarily Classical and Renaissance. Gothic detailing is also well represented. Popular details include, arches, columns, pilasters, projecting bracketed cornices, multiple belt-courses, elaborate lintels and pediments, and decorated spandrels. Details were used to relate buildings to their neighbors by repeating and varying the ornament used in the surrounding structures.

353 Kearny Street is representative of the characteristic massing and composition, scale, and architectural details of contributing buildings within the Kearny-Market-Mason-Sutter Conservation District. The building's rectangular massing and plan, masonry construction and exterior cladding, and Renaissance Revival style detailing are indicative of the early 20th century commercial-office building's constructed within the district and enable the building to remain contributory.

ARCHITECTURAL DESCRIPTION, EXISTING CONDITIONS, AND TREATMENT RECOMMENDATIONS

Exterior

353 Kearny Street is a five-story-over-basement, brick-masonry, commercial office building designed in the Renaissance Revival style. As described in the building's original construction permit, 353 Kearny Street's foundation was salvaged from that of the building which occupied the same site prior to the 1906 Earthquake. The building consists of a single rectangular block volume and is situated at the southwest corner of Kearny and Pine Streets. The exterior is clad with painted, American bond brick except for the non-original marble tile cladding which was installed at the first story of the primary façade and at the easternmost part of the north façade (northwest corner of the building). The building's second story features rusticated brickwork at the primary (east) and north façades. Classically-derived architectural details including sheet metal watertables that wrap around the primary (east) and north façades at the base of the second and third stories. These string courses frame the rusticated second story and differentiate the building's base from its shaft. The building features a galvanized sheet metal cornice with modillion detail that extends along the roofline at the primary (east) and north façades and terminates at the northwest corner of the building.

The building's fenestration is defined by punched rectangular openings which contain paired, one-over-one, double-hung windows along the primary (east) and north façades at the second through fifth stories. The west (secondary and rear) façade also has a regular fenestration pattern though the windows were removed and are currently boarded up. Non-original storefront glazing systems have been introduced at the northeast corner of building at the ground level, while an original divided-lite transom – a component of the building's original first story storefront glazing – is partially extant. The building features a flat roof with parapet and is covered in composition roofing material.



Figure 9: 353 Kearny Street viewed from intersection of Kearny and Pine Streets. Primary (east) facade and north facade (with fire escape) pictured. Looking southwest.

Primary (East) Façade

The primary (east) façade fronts Kearny Street and is divided into four bays. At the first story, the building’s original recessed stairwell entrance at the southeast corner has been closed off by plywood. The entrance retains wood double-doors with single-lite glazing. To the immediate north, the second bay is also closed off by plywood. This bay retains an original wood lintel, divided-lite transom, and a portion of a wood wrapped column shared with the adjacent bay. The third bay from the southwest corner features an angled storefront glazing system comprised of one-over-one anodized-aluminum windows with a centered, recessed entrance with paneled wood door. This bay also retains its original transom and wood-clad columns. The first story’s northernmost bay has been altered with an aluminum-frame storefront system, while columns have been reclad with marble tile. Further investigation is required to determine if any of the marble is original. The upper stories of the primary façade appear to retain original materials at all bays. The upper stories feature a grid of rectangular punched window openings divided vertically by brick piers.

North Façade (Pine Street)

The north façade fronts Pine Street and is three bays wide. Along the first story, the easternmost bay has been altered to contain aluminum-frame storefront glazing and non-original marble cladding. As with the east façade, further investigation is required to determine if any of the marble is original. The rest of the first level is largely unaltered and features painted brick and three openings, two windows and a door. The middle bay has a small

punched opening with a single-lite window. The westernmost bay has a similar punched opening that has been infilled with a louvered vent and a flush-wood door at the northwest corner of the building.

Rear (West) Façade

The rear façade (west) is the rear of the building and has little architectural detail relative to the primary (east) and north façades. Its primary feature consists of multiple punched window openings within a regular pattern at the second through fifth stories. The windows were originally double-hung windows. Originally the second column of openings from the north were doors that led out to a fire escape. The fire escape was relocated to the north façade, but the full height openings remain. Windows have been removed from each opening and each opening has been closed off from the interior by plywood. The first story contains three small, punched openings similar to those found along the north façade at the first story. Ventilation ducts project out of several windows at the first and second stories and extend upward over the roofline.

EXISTING CONDITIONS

Primary (East) Façade and North Façade (Pine Street)

The brick at the upper levels of the primary (east) façade and the north façade have been painted, and it appears the brick substrate exhibits some erosion/texture beneath the paint, consistent with that of masonry that has been sandblasted or overly-cleaned with an acidic cleaner. The brick otherwise appears to be in relatively good condition, and the paint appears to be generally sound. The brick sills are coated with a cementitious parge, which also appears to be relatively sound but exhibits localized delamination/debonding and minor cracking. The head of the punched window openings is spanned by steel lintels. The brick parapet above the sheet metal cornice is completely coated in roofing material.

The paint coating at the steel lintels appears to be in good-to-fair condition with minor localized spot corrosion bleeding through. The building's cornice is comprised of a thin sheet metal band above the 5th (top) floor windows, a brick frieze, and a more substantial sheet denticulated sheet metal upper portion. Similar to the window lintels, the sheet metal cornice at the top of the building and water table banding at the second floor and third floor are in good condition with minor localized spot corrosion bleeding through the paint. Some minor dents were noted at the third-floor water table. The metal fire escape at the center window bay on the north façade is in fair condition and exhibits more substantial paint loss than the other metal elements, especially at the sky-facing rails and walking platforms. A wet pipe fire riser is located along the west side of the fire escape and extends from the ground level to the roof.

The wood double-hung windows at the north façade are in good condition and exhibit minor flaking paint, particularly at the wood sills. The wood double-hung windows at the primary (east) façade are in good-to-fair condition and show wear consistent with a harsher exposure than the north side. While the paint coating is relatively sound and in fair condition, spot probing found minor localized dry rot at the lower portion of the frames. Also consistent with the exposure, wood sills and lower sash rails exhibit more checking/splitting.

Storefronts and Entry Vestibule

The building's storefronts extend the full length of Kearny Street and turn the corner for half a bay onto Pine Street. Green marble cladding comprises the top band above the transom windows as well as the cladding at the end piers and the majority of the intermediate piers. Further investigation will be required to determine if any of the green marble is original. The southernmost bay exhibits a terrazzo step up to a recessed vestibule clad in the same green

marble and containing an original wood and glass door. The wood and glass door is in fair to poor condition and has been damaged. The adjacent two storefront bays to the north exhibit a wood and glass transom with wood trim at the vertical piers that appear to be original. One of these bays has a wood panel ceiling over the recessed doorway that also appears to be original though the glazed portion of the bay is not original. The northernmost storefront bay (and the half bay turning on to Pine Street) has a contemporary glazing and door system. The storefront is in fair condition and exhibits some graffiti.

Rear (West) façade

The west façade facing St. George Alley in fair to poor condition. The north façade's materials turn the corner and continue into the alley façade for a few feet. The majority of the façade is comprised of brick masonry walls covered by painted cement plaster. Cracking of the cement plaster is common, especially between the heads of window lintels. Mechanical equipment, vents, flues, and conduits are attached to the cement plaster at nearly every vertical masonry pier. All of the wood double hung windows and their frames have been removed from the second through the fifth floors. The openings are covered by plywood sheathing to protect the building until windows can be reinstalled. The second stack of openings from Pine Street is set lower than the adjacent window openings and appears to have been a door at each level that led to an earlier fire escape. As previously noted, the fire escape was relocated to the north façade. Some wood frames remain at the interior of these door openings.

Roof

The roof is a flat roof accessed through a hatch along the southern side of the building and has built-up roofing that exhibits several patched areas. The perimeter of the roof is bounded by a parapet on all sides. The built-up roofing continues up the sides of the parapets and over the top of the north and east parapets onto the top of the cornice. The parapets have diagonal seismic bracing that tie the parapet back to the roof. Through-wall scuppers drain the cornice from both Kearny and Pine Streets back to the roof, and the roof slopes to a single through-wall scupper at the southwest corner of the building. The scupper location does not contain an overflow drain, and there is evidence of leaking at the roof and wall in this location at the interior. Overall, the roof appears to be in fair-to-poor condition.

An elevator penthouse is located approximately in the center bay of the southern wall (just north of the roof access hatch) and is clad with metal panels over wood sheathing. The penthouse has a metal skylight with a sheet metal vent at the ridge. The metal paneling exhibits surface corrosion. The lower portion of the metal panels and wood sheathing have been removed and infilled with sheets of plywood. The plywood is exposed with no protection or cladding. An access door opening to the elevator mechanical equipment is centered on the north elevation of the penthouse. The door is missing, leaving the equipment and elevator shaft open to the weather and bird roosting. Some of the wire glass in the skylight are notably cracked.

Three open flues are noted at the southern parapet wall (adjacent to the neighboring building).

INTERIOR

Floors 1 through 5

The walls at the interior are exposed brick and are in relatively good condition. Minor efflorescence was noted at the fifth floor's south end of the west wall. The mortar in this area and at the adjacent upper portion of the south wall exhibits some deterioration, likely due to water ingress. Aside from this localized condition, the walls are in relatively good condition.

Various pieces of wood window casing and trim are mismatched or are missing/broken at each level. No casing remains at the west wall where both the windows and frames are missing.

The stairs and elevator to the upper floors are centered on the southern wall of the building. The stairs wrap the elevator shaft, and the stairs and elevator are an integral circulation system with the stairs attached to/partially supported by the elevator shaft. The elevator has an ornamental metal cage and is a character-defining interior element. The elevator and stair system have settled differentially from the remainder of the building, resulting in elevator and stair landing areas situated below the remainder of the floor at each level. A metal bullnose at one landing was noted to be loose.

Basement

The northern portion of the basement is accessed through the northernmost tenant's space, which also has a door that connects the access stairway at the north sidewalk from the exterior. The tenant space beneath at the northern end of the building is occupied by the kitchen for the ground floor restaurant, and historic building materials were not visible. However, the tenant's portion of the basement space extends under the sidewalk and has exposed brick and concrete walls at the portion below the north (Pine Street) sidewalk. Some ceilings below the sidewalk are brick scallop vaults separated by/resting on steel beams, while other areas are concrete slab construction. The basement is very damp, and excess moisture has resulted in deteriorated/eroded mortar and efflorescence at some portions of the brick. Some steel beneath the sidewalk also appears to be corroding.

Access to the southern portion of the basement is accessed through the ground floor's southernmost tenant space. This basement space has not been accessed nor observed.

TREATMENT RECOMMENDATIONS

Primary (East) Façade and North Façade (Pine Street)

The brick at the north and east walls should be regularly maintained. The maintenance should include masonry repairs, repointing, and repainting as needed. The owner may also consider paint removal to expose the brick substrate which would depend on the ability/cost to remove the paint and the condition of the underlying re-exposed brick. Parge at the window sills should be repaired where cracked, delaminated, or missing. The feasibility of removing the roofing material from the street faces of the parapet should be explored and undertaken if possible.

The metal lintels, sheet metal cornice, and sheet metal watertable banding should also be treated at areas of corrosion. Open joints, holes, and areas that exhibit rust-through should be patched and repaired prior to preparation and painting. The metal fire escape at the north elevation should be inspected and repaired, primed, and painted as needed to maintain its function and maintain code compliance.

The historic wood double-hung windows should be rehabilitated and should include repair at areas of minor deterioration and splitting as well as replacement of cracked/missing glass and maintenance of sash cords and other miscellaneous hardware. Wood frames and sash should be prepared and painted regularly.

Storefronts and Entry Vestibule

The storefronts should be further documented and investigated to determine which elements are historic and which are non-historic. Historic materials should be repaired and retained. Non-historic materials should be maintained or removed and replaced with more compatible storefront systems pending further investigation. The

historic wood doors at the vestibule and the historic wood and glass transoms with wood trim should be retained, maintained, and rehabilitated unless further investigation determines them not to be historic. Graffiti should be sensitively removed where extant without damaging substrates. Treatments and alternations should consider access that complies with ADA to the extent possible. The building is eligible to use the California Historical Building Code and equivalent facilitation may be appropriate where strict adherence to code would diminish the historic character of the building.

Rear (West) Facade

The cement plaster at the west façade should be surveyed and sounded for cracks, spalls, and delaminated areas and repaired with similar appropriate cement plaster patches that match the original texture and appearance. Prior to cement plaster repair, corrosion or other underlying issues at window lintels should be addressed where occurs. Following repairs, the cement plaster should be prepared, primed, and painted. Miscellaneous flues, vents, equipment, and other attachments should be removed if no longer needed and locations of attachment patched. New double-hung wood windows similar to the original windows should be installed.

Roof

The roofing membrane and other related waterproofing have reached the end of their useful lives. The roofing system and flashing should be replaced per the recommendations of the owner's waterproofing consultant and should include proper waterproofing of parapet bracing, penetrations, and other roof elements. Special attention should be paid to the through-wall scupper location where leaking has previously been a problem, and scupper overflow as well as other drainage considerations should be upgraded to meet code. The parapet bracing should be treated for corrosion as needed and prepared, primed, and painted. The elevator penthouse cladding should be repaired and replaced where removed or damaged beyond repair. The exposed plywood substrate should be replaced as needed prior to recladding with metal paneling. A new penthouse door should be installed to replace the missing one for weather resistance, safety, and security. Debris and bird guano should be cleaned out of the elevator penthouse, and the sheet metal vent should be repaired and painted. Additionally, the skylight should be maintained, including repair of deteriorated putty, replacement of damaged glass, and painting of the metal skylight structure to ensure maintenance and longevity.

Interior

Minor efflorescence should be brushed or vacuumed where it occurs at the interior walls of the top floor's southwest corner. Localized areas of deteriorated mortar due to water ingress should also be repointed as needed at this area and at the south wall of the top two floors. The windows have various portions of interior trim that are missing/damaged/broken and should also be repaired. The historic elevator and stair should be retained, maintained, and repaired as needed. Loose pieces, such as the metal bullnose at one landing should be re-secured. Further investigation should be undertaken to sensitively resolve the issues of differential settlement of the elevator core relative to the remainder of the building.

Basement

Investigate basement walls, floors, and overhead sidewalk at the building's perimeter to locate source(s) of moisture. Brush or vacuum to remove efflorescence from brick masonry, and repair/repoint the brick as needed with compatible/appropriate mortar (especially where deeply eroded or recessed). Repair sidewalk cracking with epoxy or other repairs as required if it is related to moisture ingress to prevent future moisture penetration into basement area below. Treat exposed steel where it is corroded, and prepare, prime, and paint the steel to prevent any further degradation to structural steel in this area.

At the southern portion of the building, investigate for similar modes of deterioration and treat once access is gained.

IV. 353 KEARNY STREET ADDITIONAL PHOTOGRAPHY

KEARNY STREET FAÇADE

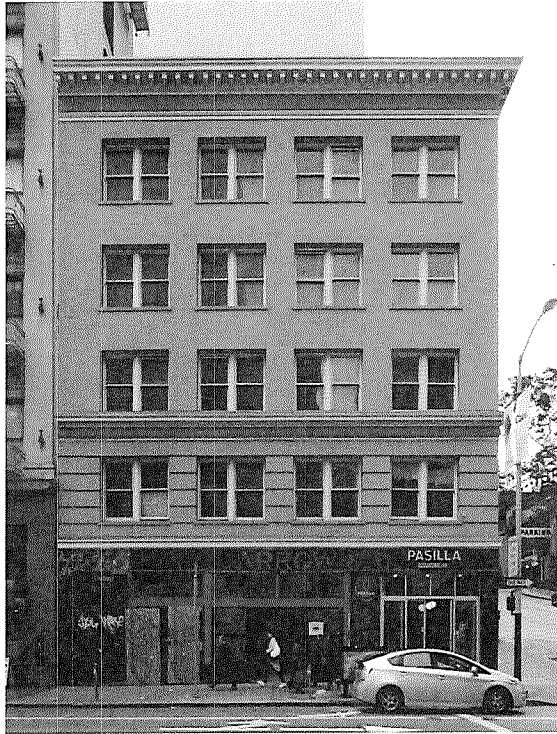


Figure 10: Photography of Kearny Street elevation. Note wood trim and transom at bays (photograph taken on 01/26/2018).



Figure 11: Photograph of 353 Kearny entrance vestibule, clad in green marble tile with terrazzo steps and historic wood double-doors with single-lite glazing (photograph taken on 04/05/2018).

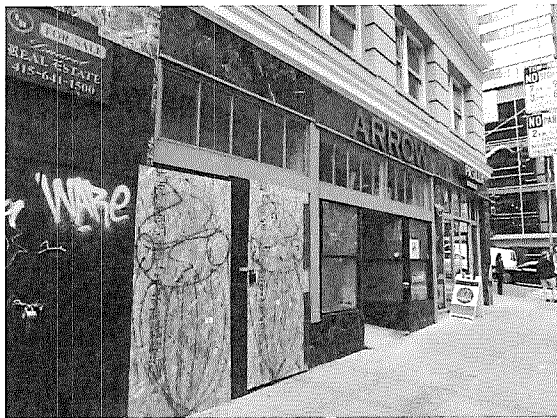


Figure 12: Photograph of entrance bays along Kearny Street. Note wood-clad columns and wood transom (photograph taken on 01/26/2018).



Figure 13: Photograph of the third bay entry from south end with angled storefront glazing system, paneled wood door, wood panel ceiling, and marble cladding (photograph taken on 01/26/2018).

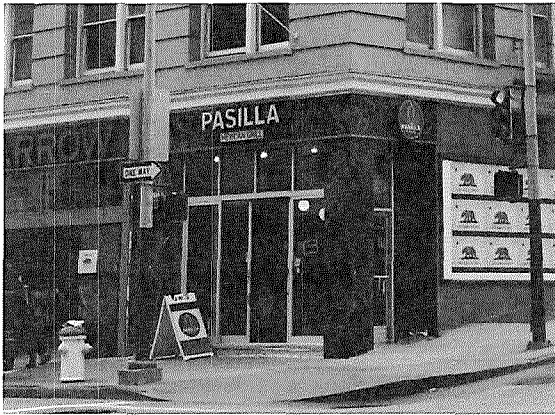


Figure 14: Photograph of northern storefront bay along Kearny Street, with contemporary glazing and door system (photograph taken on 01/26/2018).



Figure 15: Photograph of typical punched window opening and painted brick cladding (photograph taken on 01/26/2018).



Figure 16: Detail photography of sheet metal water table banding at second floor. Note brick erosion beneath the paint on the brick substrate (photograph taken on 01/26/2018).

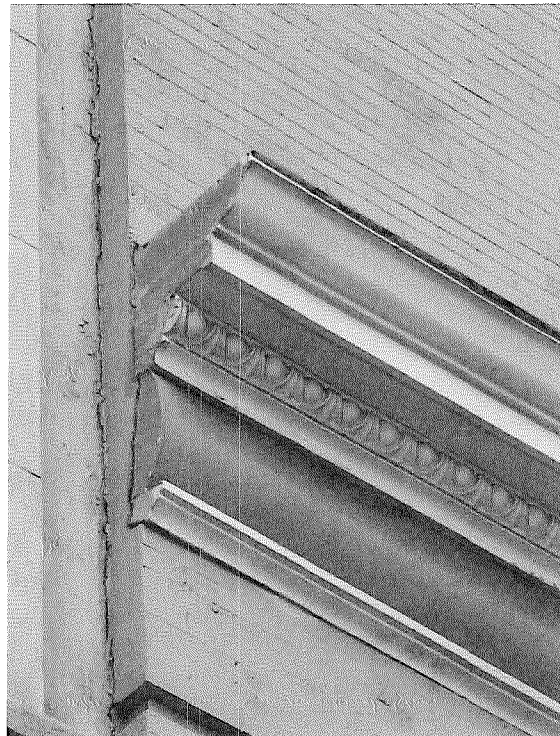


Figure 17: Detail photograph of water table banding at the third floor. Note minor spot corrosion bleeding through the paint (photograph taken on 01/26/2018).

PINE STREET FAÇADE



Figure 18: Photograph of Pine Street elevation with contemporary storefront at easternmost bay, and extant metal fire escape (photograph taken 01/26/2018).



Figure 19: Detail photography of denticulated sheet metal cornice and brick frieze. Note localized paint peeling at cornice (photograph taken on 01/26/2018).

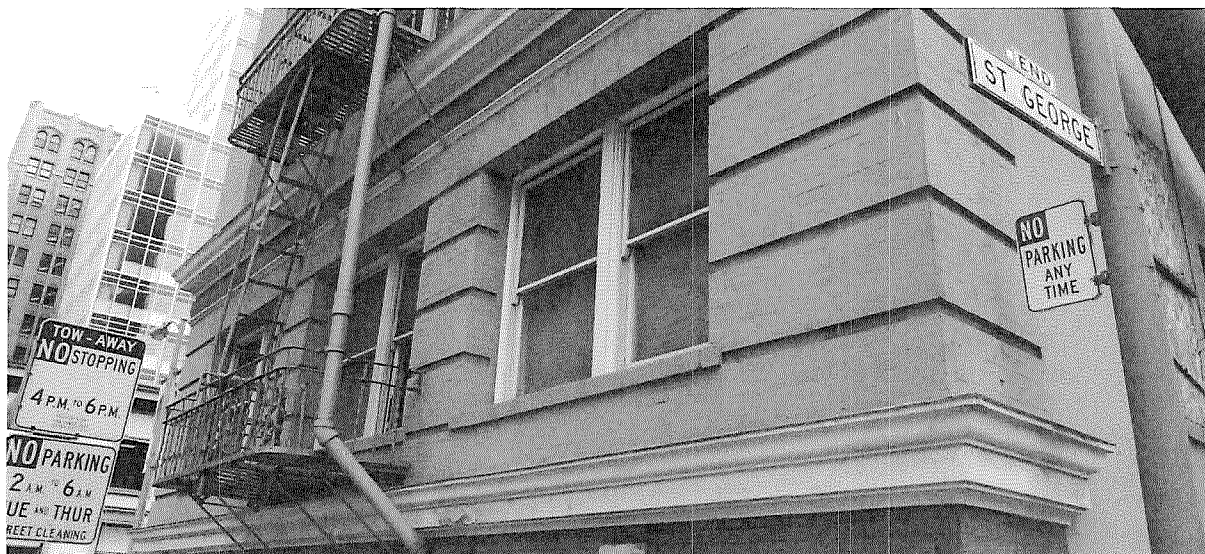


Figure 20: Detail view of brick cladding with horizontal reliefs at second floor, and typical wood double-hung windows. Note materials on the north façade (brick and water table bands) continue onto the west façade for a few feet (photograph taken on 01/26/2018).

ST. GEORGE ALLEY FAÇADE



Figure 21: Photography of St. George Alley elevation. Note punched window openings are boarded up with plywood at interior (photograph taken on 01/26/2018).



Figure 22: Detail photograph of ventilation ducts projecting through second floor openings. Note size difference between window and door openings (photograph taken on 01/26/2018).



Figure 23: Detail view of punched openings. Note cracked cement plaster between window lintels (photograph taken on 01/26/2018).

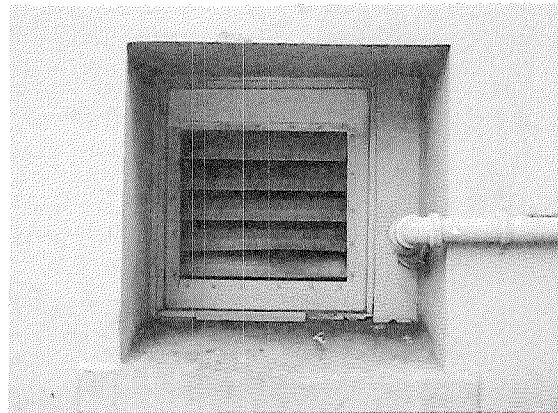


Figure 24: Detail view of punched opening infilled with a louvered vent at ground level (photograph taken on 01/26/2018).

GROUND FLOOR INTERIOR AT BAYS 1 & 2

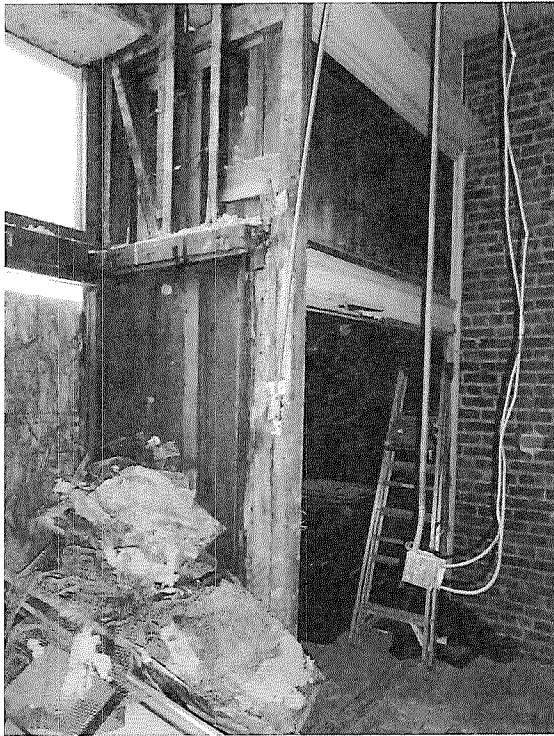


Figure 25: Interior view of 353 Kearny entrance, looking southeast. Note entry vestibule with wood and glass transom above double-door opening (photograph taken on 04/02/2018).

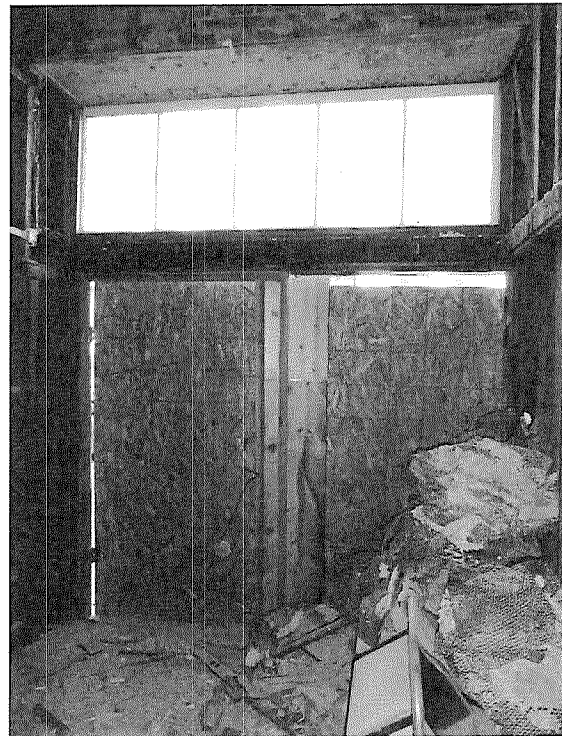


Figure 26: Interior view of storefront at second bay along Kearny Street. Note historic wood and glass transom above infilled plywood (photograph taken on 04/02/2018).



Figure 27: Detail view of wood and glass transom above 353 Kearny entrance vestibule (photograph taken on 04/02/2018).

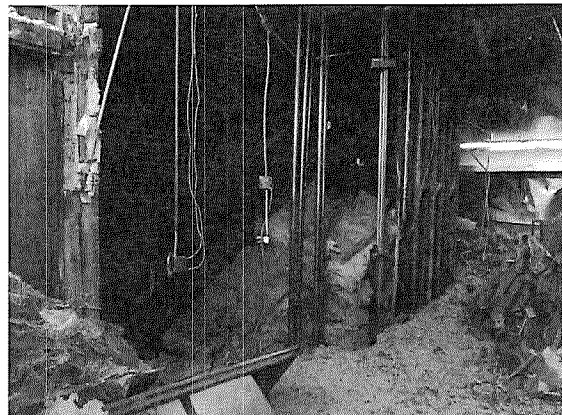


Figure 28: Interior view looking southwest towards entry bay and metal stairs to second floor. Photograph taken from second bay entry (photograph taken on 04/02/2018).

LEVELS 2 – 5 INTERIOR AT SOUTH WALL

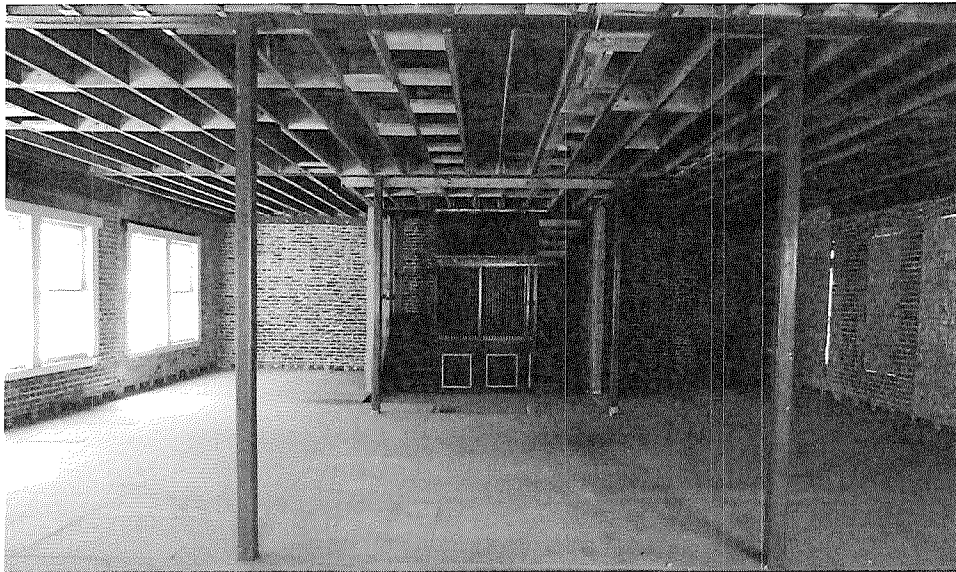


Figure 29: Photograph of typical south interior elevation. (photograph taken on 02/27/2018).

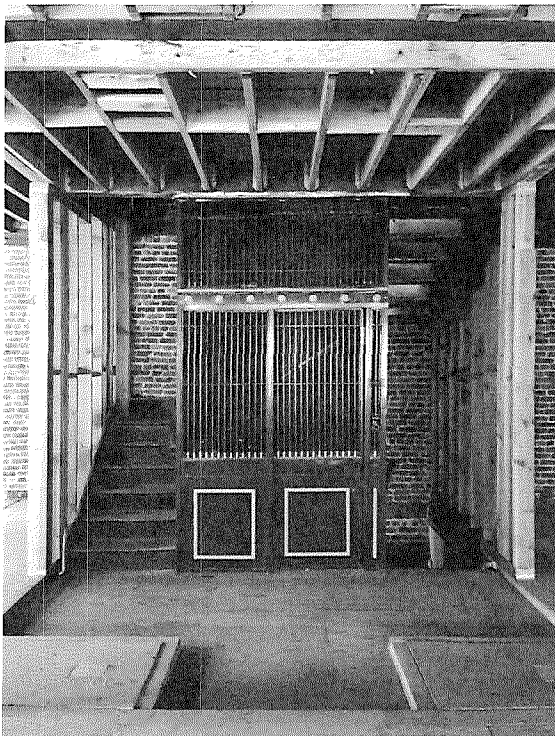


Figure 30: Detail view of stairs and elevator with ornamental metal cage at southern wall. Note differential settlement of elevator landing from the remainder of the building (photograph taken on 02/27/2018).

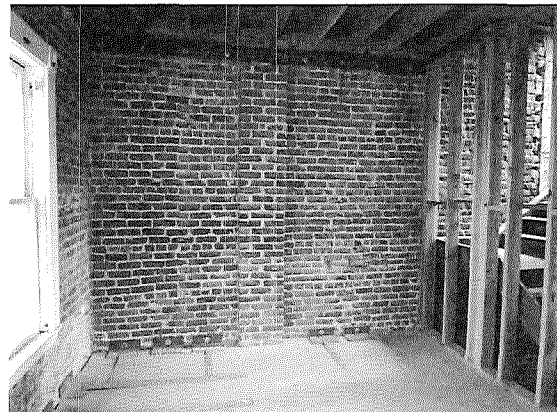


Figure 31: Interior photograph of exposed brick at south wall, fifth floor. Note minor efflorescence and deterioration of mortar (photograph taken on 02/27/2018).

LEVELS 2 – 5 INTERIOR AT WEST WALL

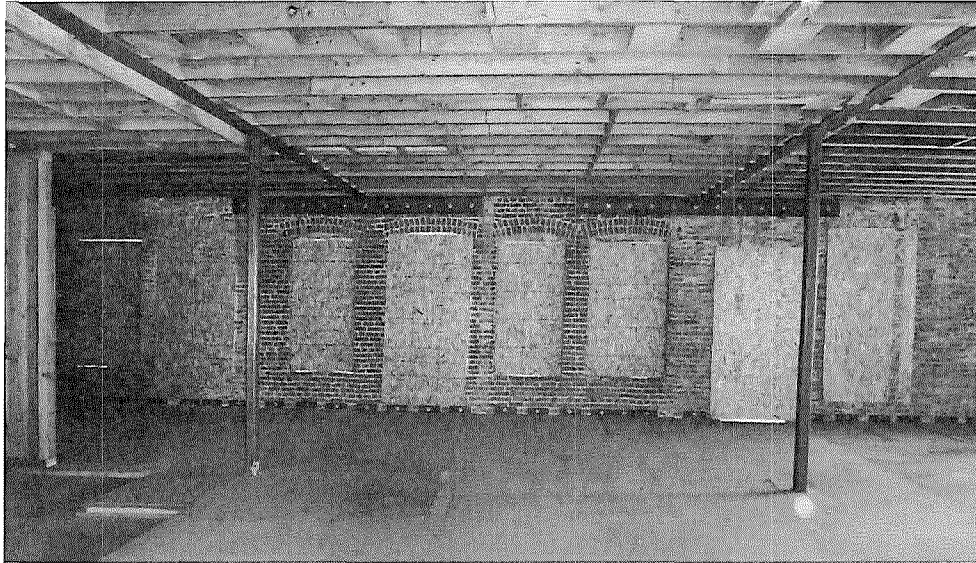


Figure 32: Photograph of typical west interior elevation. Note window openings covered with plywood at interior (photograph taken on 02/27/2018).



Figure 33: Detail view of typical punched window opening at western wall. Note arched brick lintel (photograph taken on 02/27/2018).

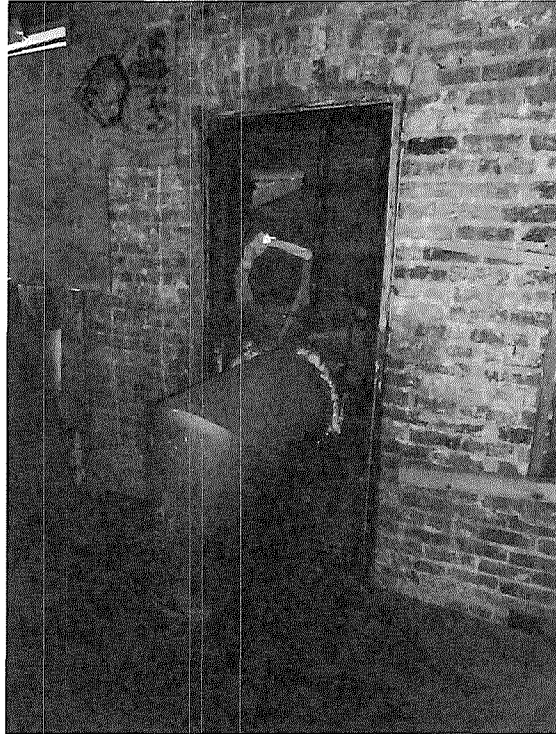


Figure 34: Detail view of punched window (original door) opening with ventilation duct. Note deteriorated wood frame (photograph taken on 02/27/2018).



Figure 35: Detail photograph of deteriorated brick mortar joints and efflorescence above southernmost window opening at fifth level. Note rust stains surrounding metal embedments and water stains at underside of roof sheathing (photograph taken on 02/27/2018).

LEVELS 2 – 5 INTERIOR AT NORTH & EAST WALLS



Figure 36: Photograph of typical north interior elevation (photograph taken on 02/27/2018).



Figure 37: Photograph of typical east interior elevation (photograph taken on 02/27/2018).



Figure 38: Detail photograph of typical double-hung windows at north and east walls (photograph taken on 02/27/2018).



Figure 39: Detail photograph of typical deterioration at window trim (Photograph was taken on 02/27/2018).

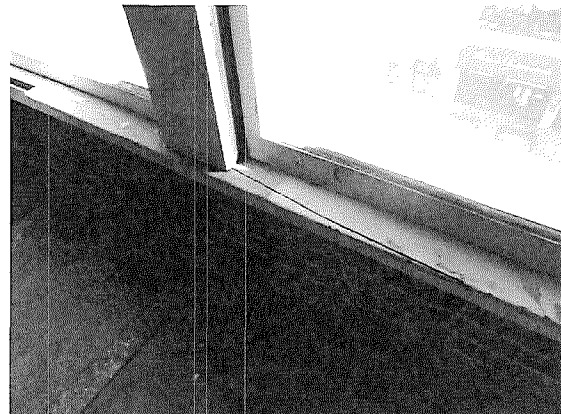


Figure 40: Detail photograph of split window sill (photograph taken on 02/27/2018)



Figure 41: Detail photograph of window sash ogee lug (photograph taken on 02/27/2018).

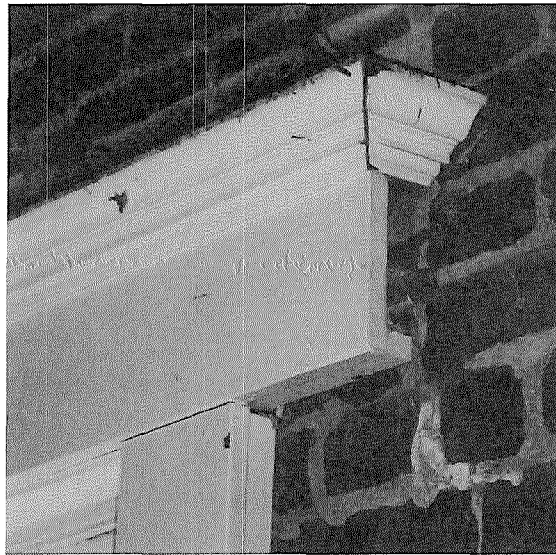


Figure 42: Detail photograph of window cornice and edge of concealed steel lintel behind (photograph taken on 02/27/2018).



Figure 43: Detail photograph of top edge of lower sash, and sash cord. Note typical paint chipping and missing sash stop (photograph taken on 02/27/2018).



Figure 44: Detail photograph of typical window trim and sash configuration (photograph was taken on 02/27/2018).

ROOF



Figure 45: Photograph of built-up roof, looking east. Diagonal seismic bracing supports parapet walls (photograph taken on 02/27/2018).

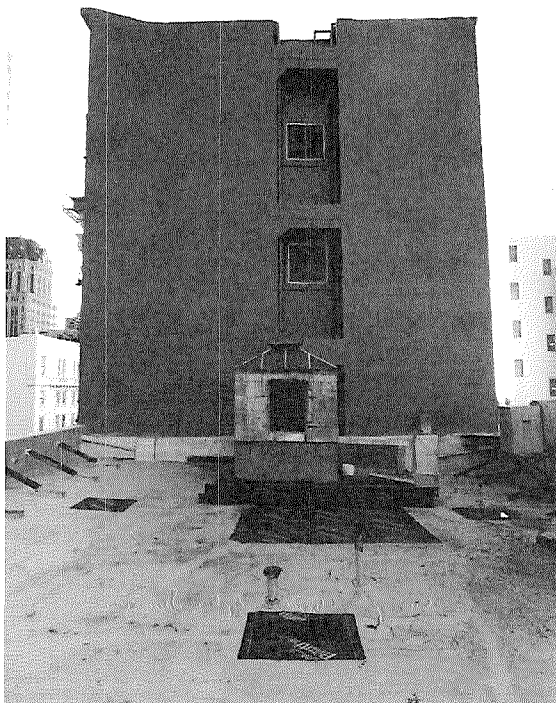


Figure 46: Photograph of roof, looking south towards elevator penthouse and adjacent building (photograph taken on 02/27/2018).



Figure 47: Detail view of parapet and top of cornice. Through-wall scuppers at the northern and eastern parapet walls drain the cornice back to the roof (photograph taken on 02/27/2018).



Figure 48: Photograph of elevator penthouse clad in metal panels over wood sheathing. Note surface corrosion on metal panels and missing access door (photograph taken on 02/27/2018)

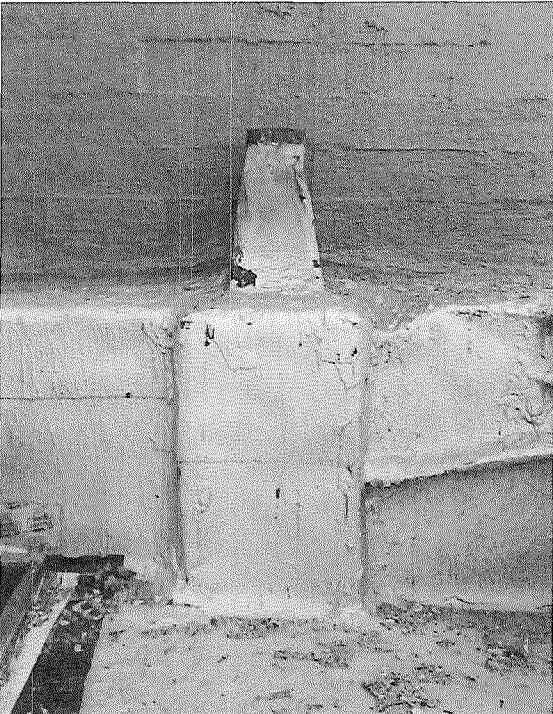
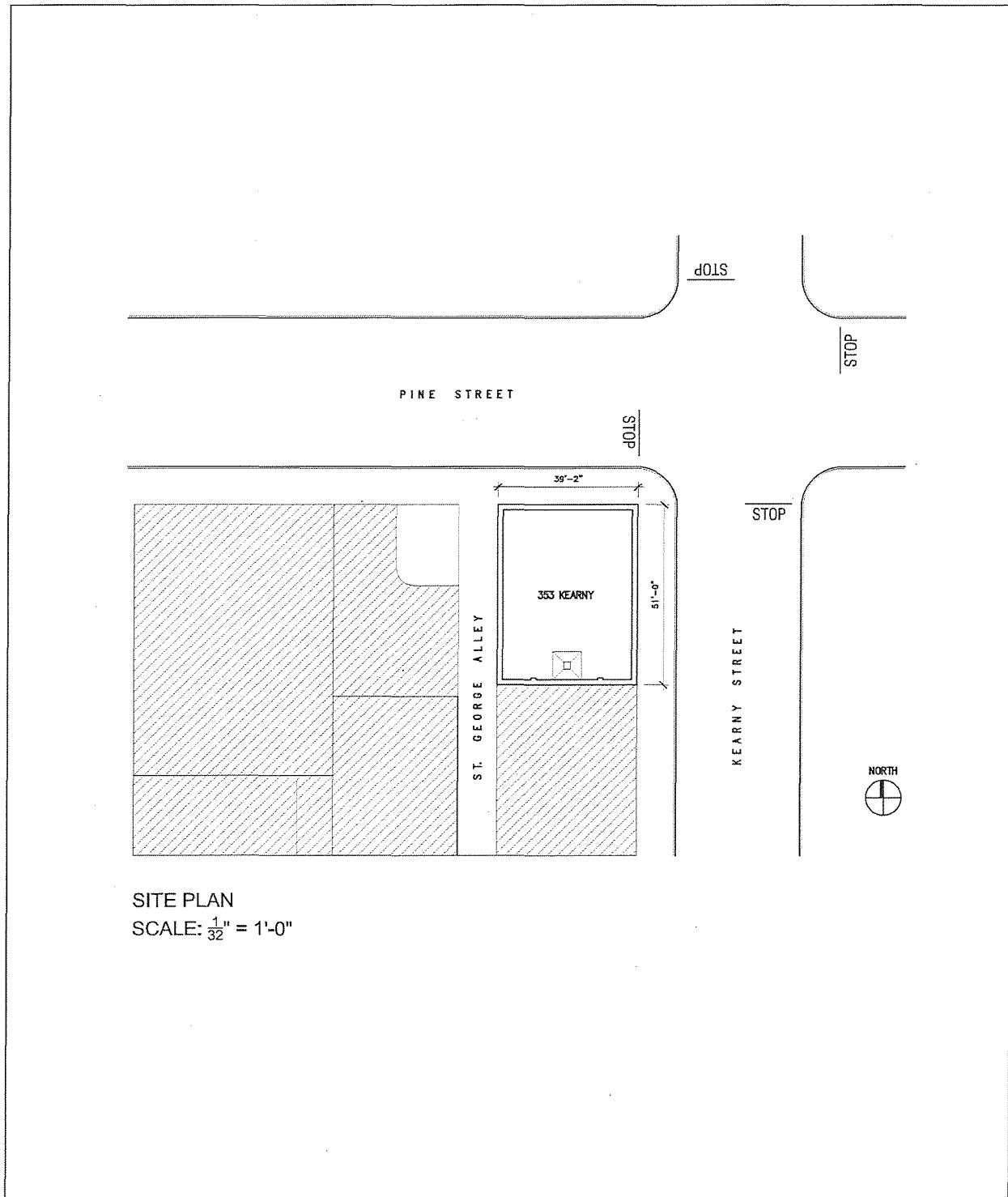


Figure 49: Detail view of open flue at southern parapet wall (photograph taken on 02/27/2018).



Figure 50: Photograph of roof access hatch located between elevator penthouse and southern parapet wall (photograph taken on 02/27/2018).

V. SITE PLAN



VI. TAX BILL



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

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

For Fiscal Year July 1, 2017 through June 30, 2018

Vol	Block	Lot	Account Number	Tax Rate	Original Mail Date	Property Location
03	0270	001	027000010	1.1723%	October 11, 2017	353 KEARNY ST

Assessed on January 1, 2017 at 12:01am
Tax: NAME PRIVATE PER CA AB 2238

ADDRESS INFORMATION
NOT AVAILABLE ONLINE

Assessed Value		
Description	Full Value	Tax Amount
Land	3,168,968	37,149.77
Structure	1,131,769	13,267.72
Fixtures		
Personal Property		
Gross Taxable Value	4,300,734	50,417.50
Less HO Exemption		
Less Other Exemption		
Net Taxable Value	4,300,734	550,417.50

Direct Charges and Special Assessments			
Code	Type	Telephone	Amount Due
46	SF BAY RS PARCEL TAX	(888) 508-8157	12.00
71	GARBAGE LIEN (COM)	(415) 252-3972	850.76
89	SFUSD FACILITY COST	(415) 355-2203	56.78
91	SF-CDD PARCEL TAX	(415) 487-2400	59.00
98	SF - TEACHER SUPPORT	(415) 355-2203	244.10
Total Direct Charges and Special Assessments			\$1,282.62

▶ TOTAL DUE		551,700.12
1st Installment		2nd Installment
\$25,850.06		\$25,850.06
DUE	12/11/2017	DUE 04/10/2018

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



City & County of San Francisco
Secured Property Tax Bill
For Fiscal Year July 1, 2017 through June 30, 2018

Pay online at SFTREASURER.ORG

Vol	Block	Lot	Account Number	Tax Rate	Original Mail Date	Property Location
03	0270	001	027000010	1.1723%	October 11, 2017	353 KEARNY ST

Check if contribution to Arts Fund is enclosed.
For other donation opportunities go to www.Give2SF.org

Delinquent after APRIL 10, 2018

▶ 2nd Installment Due		\$25,850.06
------------------------------	--	--------------------

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

2

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

If paid or postmarked after APRIL 10, 2018
the amount due (includes delinquent penalty of 10% and other applicable fees) is: \$28,480.06

0302700000100 013223 000000000 000000000 0000 2003



City & County of San Francisco
Secured Property Tax Bill
For Fiscal Year July 1, 2017 through June 30, 2018

Pay online at SFTREASURER.ORG

Vol	Block	Lot	Account Number	Tax Rate	Original Mail Date	Property Location
03	0270	001	027000010	1.1723%	October 11, 2017	353 KEARNY ST

Check if contribution to Arts Fund is enclosed.
For other donation opportunities go to www.Give2SF.org

Delinquent after DECEMBER 11, 2017

▶ 1st Installment Due		\$25,850.06
------------------------------	--	--------------------

Detach stub and return with your payment.
Write your block and lot on your check.
If property has been sold, please forward bill to new owner.

1

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

If paid or postmarked after DECEMBER 11, 2017
the amount due (includes delinquent penalty of 10% and other applicable fees) is: \$28,435.06

0302700000100 013223 000000000 000000000 0000 1003

This bill contains two payment stubs. No notice or tax bill will be mailed for the second installment payment. Payments must be made for exact installment amount.

Pay Now	Contact Us
<ul style="list-style-type: none"> • Online: http://sftreasurer.org • Mail a check payable to "SF Tax Collector" with the bottom portion of bill in the enclosed envelope • In person at City Hall, Room 140 8 am - 5 pm, Monday - Friday, excluding holidays. Expect longer than normal wait times around delinquency dates. 	<p style="text-align: center;">Call: 3-1-1 415-701-2311 from outside of San Francisco</p> <p style="text-align: center;">Submit question online: http://sftreasurer.org/contact-us</p> <p>311 Free language assistance / 免費語言協助 / Ayuda gratuita con el idioma / Бесплатная помощь переводчиков / Trợ giúp Thông dịch Miễn phí / Assistance linguistique gratuite / 無料の言語支援 / 무료 언어 지원 / Libreng bulong para sa wikang Tagalog /</p>

If you disagree with the assessed value as shown on your tax bill, you have the right to an informal assessment review by the Assessor-Recorder's Office. Visit www.sfassessor.org for more information. You also have the right to file an application for reduction in assessment for the following year with the Assessment Appeals Board. The filing period is July 2 to September 15. Visit www.sfgov.org/aab or call (415) 554-6778 for more information. If an Informal or formal assessment review is requested, relief from penalties shall apply only to the difference between the Assessor-Recorder's final determination of value and the value on the assessment roll for the fiscal year covered.

If a "Tax-Defaulted" message is shown on the front of this bill, it indicates that prior year taxes are unpaid.

New owners and current owners with new construction may be required to pay a supplemental tax bill. Supplemental tax bills are issued in addition to this annual tax bill.

Applications for Property Tax Postponement for Senior Citizens, Blind, or Disabled Persons are now available at the State Controller's Office (SCO) website at sco.ca.gov/ardtax_prop_tax_postponement.html.

Did you...?

- Submit payment for the exact installment amount?
- Confirm that you have sufficient funds in your account? If your payment is not honored by the bank, the payment is null and void and a \$50.00 "Non-Sufficient Funds Fee" will be charged in addition to any late payment penalties.
- Pay your first installment before your second installment? Or both at the same time?

If the delinquent date falls on a Saturday, Sunday or legal holiday, no penalty is charged if payment is made by 5 PM on the next business day.

If any portion of the total amount due is unpaid after 5 PM on June 30, 2018, it will be necessary to pay (a) delinquent penalties, (b) costs, (c) redemption penalties, and (d) a redemption fee. After 5 years of tax delinquency, the Tax Collector has the power to sell tax-defaulted property that is not redeemed.

Did you...?

- Submit payment for the exact installment amount?
- Confirm that you have sufficient funds in your account? If your payment is not honored by the bank, the payment is null and void and a \$50.00 "Non-Sufficient Funds Fee" will be charged in addition to any late payment penalties.
- Pay your first installment before your second installment? Or both at the same time?

If the delinquent date falls on a Saturday, Sunday or legal holiday, no penalty is charged if payment is made by 5 PM on the next business day.

If any portion of the total amount due is unpaid after 5 PM on June 30, 2018, it will be necessary to pay (a) delinquent penalties, (b) costs, (c) redemption penalties, and (d) a redemption fee. After 5 years of tax delinquency, the Tax Collector has the power to sell tax-defaulted property that is not redeemed.

VII. RENTAL INCOME INFORMATION

353 Kearny Rental Income

Address	Square Footage	Rental Income
353 Kearny	9,536 sf	No rental income for 18 months (March 5, 2018 – August 5, 2019)
357 Kearny	1,414 sf	\$5,042.00 per month
359 Kearny	1,992 sf	\$6,508.00 per month

VIII. BIBLIOGRAPHY

"MacDonough Building." *San Francisco Call*, September 21, 1907, 7.

"Kearny Will Be a Show Street—." *San Francisco Call*, September 1906, 1906, 52.

"To Lease." *San Francisco Call*, March 13, 1907, 11.

"Offices and Stores to Let." *San Francisco Call*, October 22, 1907, 11.

"Will Make Business In Building Hotel—Antoine Vayssie Leases a Kearny Street Structure." *San Francisco Call*, February 12, 1910, 17.

Building Permit Applications for 353 Kearny Street. On file at San Francisco Department of Building Inspection, Records Management Division.

David Rumsey Map Collection.

The Sanborn Map Company. Fire Insurance Survey Maps of San Francisco. On file at San Francisco Public Library.

San Francisco City Directories. On file at San Francisco Public Library.

San Francisco Planning Depart. *City and County of San Francisco Municipal Code*, Article 11, Appendix E: the Kearny-Market-Mason-Sutter Conservation District.

San Francisco Planning Department's Online Property Information Map.

Tier 1 Seismic Evaluation

353 Kearny Street

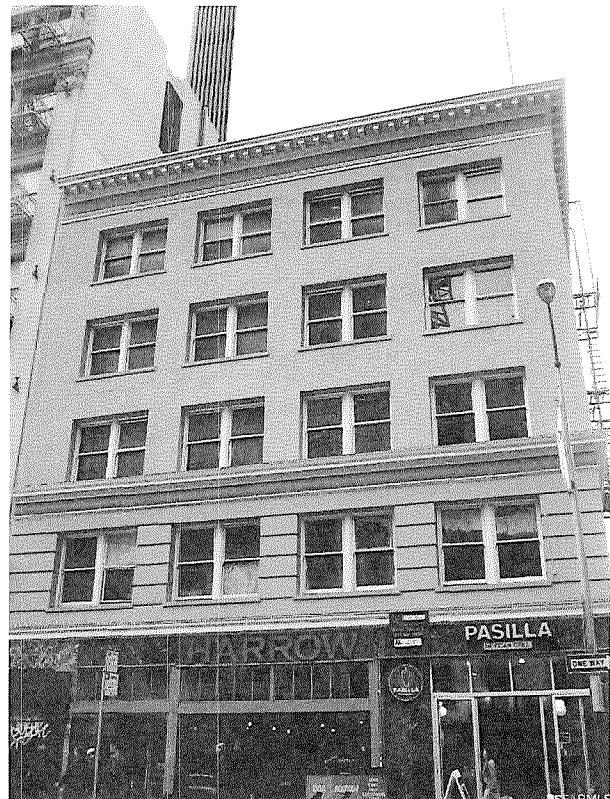
Constructed in 1907, the building located at 353 Kearny Street in San Francisco, California is a five-story structure with a basement. The plan dimensions are approximately 58 feet by 38 feet with a roof height of 61.5 feet above street level. In 2004, the building was upgraded to comply with the San Francisco Unreinforced Masonry Building Ordinance. A steel moment frame was added in 2012 at the ground floor on the Kearny Street side of the building.

Gravity Load System: The primary structural system for the building consists of unreinforced masonry walls supporting wood framed floors and roof. At each floor level contains plywood floor sheathing supported by 2x or 3x wood joists spaced at 16 inches on center. Steel beams and columns on the interior and the URM walls on the exterior support the ends of the joists.

Lateral Force Resisting System: Lateral loads, due to seismic and wind, are resisted by the floor and roof diaphragms, the perimeter unreinforced masonry walls and the first floor steel moment frame. The sheathing at the roof and floor levels provide diaphragms to transfer the seismic/wind loads from the floors and walls to the perimeter URM walls. The URM walls then act as shear walls to transmit the seismic loads to the building foundations. At the first floor, a steel moment frame provides lateral stiffness and strength for the open storefront along Kearny Street.

Evaluation Summary: The ASCE 41-13 Tier 1 seismic evaluation indicates that there are a number of seismic deficiencies in the building. The deficiencies include overstressed masonry walls, slender masonry walls at the upper floor, large lateral drift ratio for the steel moment frame, and overstressed out-of-plane wall anchors. Attached is a summary of the findings and deficiencies.

It should be noted that the building underwent a seismic upgrade to meet the San Francisco UMB ordinance. Drawings were issued and permitted with SFDBI; therefore, it can be assumed that the upgrade was in general compliance with the UMB ordinance. Per the ordinance, the provisions are intended as “minimum standards for structural seismic resistance for earthquake ground shaking and are established primarily to reduce the risk of life loss or injury”. Furthermore, it states that compliance with the provisions “will not necessarily prevent loss of life or injury, or prevent earthquake damage to rehabilitated structures...” The seismic demand used for retrofit under the UMB ordinance is much lower than that used as part of an ASCE 41 evaluation.





Building Address: 353 Kearny Street, San Francisco, California Date: 10/25/17
 ASCE 7 SDC: D Contact: _____ Page: 2 of 3
 Job Number: B7445021.00 Job Name: 353 Kearny St. Seismic Evaluation By: JVT Checked: KAJ

Building Data

Year Built: 1907 Year(s) Remodeled: 2004 SF UMB upgrade
 Gross SF: ~11700 SF Size (L x W): 51 ft x 38 ft No. Stories: 5+ Basement
 Architect: Salfeld & Kohlberg Engineer: Unknown Own/Lease: Due Diligence
 First Floor: 19 ft. Special Importance?: Historic resource
 Story Height: Upper Floors: 10 ft. Total Height: 61.5 ft + 2ft parapet

Usage Industrial Office/Commercial Warehouse Residential Educational Other: _____

Construction Data

Gravity Load Structural System: Unreinforced masonry exterior bearing walls. Floor framing consists of wood floor joists supported on the exterior URM walls and interior steel beams and columns
 Exterior Transverse Walls: East-West direction: unreinforced masonry walls Openings?: 60% at north, 0% at south
 Exterior Longitudinal Walls: North-South direction: unreinforced masonry walls Openings?: 60% at west, 60% at East
 Roof Materials/Framing: 1x straight sheathing over 2x10 wood joists supported on steel interior beams
 Intermediate Floors/Framing: Plywood floor sheathing over 2x 12 wood joists supported on steel interior beams
 Ground Floor: Plywood floor sheathing over 2x 12 wood joists Basement: Concrete slab on grade
 Columns: Steel HSS tube columns Foundation: Unknown

Lateral-Force-Resisting System

Diaphragms: Plywood sheathing at floors and straight sheathing at the roof
 Vertical Elements: Longitudinal – URM walls and first floor moment frame on east side. Transverse – URM walls
 Connections: Out-of-plane wall anchors and in-place shear connections present at all diaphragms above grade
 Details: Observed conditions appear to be generally consistent with UMB upgrade drawing details.

ASCE 41-13 Bldg. Type: URMA/S1A

Geologic Data

<i>Fault Name</i>	<i>Distance (in miles)</i>	Liquefaction Potential: <u>Moderate/Low</u>	Latitude: <u>37.79153</u>
<u>San Andreas</u>	<u>8.3 miles</u>	General condition of site: <u>Sloping</u>	Longitude: <u>-122.40443</u>
		Evidence of settling: <u>None observed</u>	Site Soil Class: <u>D</u>

Seismic Hazard Parameters

	S _{xs}	S _{x1}
BSE-1E	0.990	0.564

Building Photographs



ASCE 41-13 Tier 1 Evaluation Performance

- Immediate Occupancy
- Life Safety
- Less than Life Safety



Building Address: 353 Kearny Street, San Francisco, California

Date: 10/25/17

ASCE 7 SDC: D

Contact: _____

Page: 3

of

3

Job Number: B7445021.00

Job Name: 353 Kearny St. Seismic Evaluation

By: JVT

Checked: KAJ

Structural Seismic Deficiencies

- **Basic Configuration:**
 - **Adjacent Buildings:** Along the south side of the building there is no visible gap between the adjacent. As a result, the buildings may impact each other (pound) during seismic shaking.
- **Unreinforced Masonry Walls:**
 - **Shear Stress Check:** Using the ASCE 41-13 quick check procedures, the URM walls do not have adequate shear capacity to resist the seismic demands. This limits the ability of the walls to support seismic loads during earthquake shaking and can lead to significant cracking and damage to the walls.
 - **Wall Anchorage:** The out-of-place wall anchors are slightly overstressed at the floor levels.
 - **URM Wall Slenderness:** The top story of 13 inch URM wall has a height-to-thickness ratio (11.5) exceeding the ASCE 41 limit of 9. Slender walls have the potential for damage caused by out-of-plane forces.
 - **Diaphragm Cross Ties:** Continuous cross ties are not present in the floor diaphragms. Cross ties are used to develop the out-of-place wall anchor loads into the floor diaphragm.
 - **Roof Diaphragm Span:** The roof diaphragm appears to be straight sheathing with a span greater than 24 feet.
- **Steel Moment Frame:**
 - **Seismic Drift:** The drift calculated using the quick check procedure is higher than the ASCE 41 drift limit of 2.5 percent.
 - **Moment Resisting Connections:** The beam to column connections are deemed not compliant in the Tier 1 procedure since they are full penetration welds. A more detailed analysis is required to determine adequacy.



Building Name: 353 Kearny Street Date: 10/19/2017
 Building Address: 353 Kearny St. San Francisco, CA 94104 Page: 1 of 1
 Job Number: B7445021.00 Job Name: 353 Kearny St Seismic Evaluation By: JVT Checked: _____

ASCE 41-13 TIER 1 SUMMARY DATA SHEET

BUILDING DATA

Latitude: 37.79153 N Longitude: 122.40443 W
 Year Built: 1907 Year(s) Remodeled: 2004, 2012 Original Design Code: Unknown
 Area (sf): 11,644 Length (ft): 51' - 1" Width (ft): 38' - 0"
 No. Stories: 5 Story Height: 10 feet Total Height: 61.5 feet

USE Industrial Office Warehouse Hospital Residential Educational Other: Commercial

CONSTRUCTION DATA

Gravity Load Structural System: Unreinforced masonry / steel columns w/ wood framing
 Exterior Transverse Walls: East-West direction: unreinforced masonry Openings?: 40% at north, none at south
 Exterior Longitudinal Walls: North-South direction: Unreinforced masonry Openings?: 40% at east, 40% at west
 Roof Materials/Framing: Plywood roofing / wood joists w/ blocking and steel girders
 Intermediate Floors/Framing: Plywood roofing / wood joists w/ blocking and steel girders
 Ground Floor: Basement level – concrete foundation, Street level (Level 1)
 Columns: Steel HSS Tube Columns Foundation: Concrete
 General Condition of Structure: Okay
 Levels Below Grade?: One basement level – 9'-0" tall
 Special Features and Comments: _____

LATERAL-FORCE-RESISTING SYSTEM

	Longitudinal	Transverse
System:	<u>Unreinforced masonry / added moment frame</u>	<u>Unreinforced masonry</u>
Vertical Elements:	<u>Masonry walls, columns</u>	<u>Masonry walls, columns</u>
Diaphragms:	<u>Plywood / wood decking</u>	<u>Plywood / wood decking</u>
Connections:	<u>Bolted / Nailed / Screwed</u>	<u>Bolted / Nailed / Screwed</u>

EVALUATION DATA

Soil Factors: Class= D F_a = 1.158 F_v = 1.758
 BSE-1E Spectral Response Accelerations: S_{xs} = 0.990 S_{x1} = 0.564
 Level of Seismicity: High Performance Level: Life Safety
 Building Period: T = 0.439
 Spectral Acceleration: S_a = 0.990
 Modification Factor: C = 1.0 Building Weight: W = 2,719 kips
 Pseudo Lateral Force: $V=CS_aW$ = 2,690 kips

BUILDING CLASSIFICATION: Longitudinal URM + S1A / Transverse URM

REQUIRED TIER 1 CHECKLISTS

	YES	NO
Basic Configuration Checklist	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Building Type URM Structural Checklist	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Nonstructural Component Checklist	<input type="checkbox"/>	<input checked="" type="checkbox"/>

FURTHER EVALUATION REQUIREMENTS: _____



Building Name: 353 Kearny Street

Date: 10/23/2017

Building Address: 353 Kearny St. San Francisco, CA 94104

Page: 1 of 2

Job Number: B7445021.00 Job Name: 353 Kearny St. Seismic Evaluation

By: JVT Checked: KAJ

ASCE 41-13 Life Safety Basic Configuration Checklist

C NC N/A U

Comments

LOW SEISMICITY

BUILDING SYSTEM

- LOAD PATH: The structure shall contain a complete, well-defined load path, including structural elements and connections, that serves to transfer the inertial forces associated with the mass of all elements of the building to the foundation. (Commentary: Sec. A.2.1.1. Tier 2: Sec. 5.4.1.1)
- ADJACENT BUILDINGS: The clear distance between the building being evaluated and any adjacent building is greater than 4 percent of the height of the shorter building. This statement shall not apply to the following building types: W1, W1A, and W2. (Commentary: Sec. A.2.1.2. Tier 2: Sec. 5.4.1.2)
- MEZZANINES: Interior mezzanine levels are braced independently from the main structure, or are anchored to the seismic-force-resisting elements of the main structure. (Commentary: Sec. A.2.1.3. Tier 2: Sec. 5.4.1.3)

No gap between buildings to the south

BUILDING CONFIGURATION

- WEAK STORY: The sum of the shear strengths of the seismic-force-resisting system in any story in each direction is not less than 80% of the strength in the adjacent story above. (Commentary: Sec. A.2.2.2. Tier 2: Sec. 5.4.2.1)
- SOFT STORY: The stiffness of the seismic-force-resisting system in any story is not less than 70% of the seismic-force-resisting system stiffness in an adjacent story above or less than 80% of the average seismic-force-resisting system stiffness of the three stories above. (Commentary: Sec. A.2.2.3. Tier 2: Sec. 5.4.2.2)
- VERTICAL IRREGULARITIES: All vertical elements in the seismic-force-resisting system are continuous to the foundation. (Commentary: Sec. A.2.2.4. Tier 2: Sec. 5.4.2.3)
- GEOMETRY: There are no changes in the net horizontal dimension of the seismic-force-resisting system of more than 30% in a story relative to adjacent stories, excluding one-story penthouses and mezzanines. (Commentary: Sec. A.2.2.5. Tier 2: Sec. 5.4.2.4)
- MASS: There is no change in effective mass more than 50% from one story to the next. Light roofs, penthouses and mezzanines need not be considered. (Commentary: Sec. A.2.2.6. Tier 2: Sec. 5.4.2.5)
- TORSION: The estimated distance between the story center of mass and the story center of rigidity is less than 20% of the building width in either plan dimension. (Commentary: Sec. A.2.2.7. Tier 2: Sec. 5.4.2.6)

MODERATE SEISMICITY (Complete the following items in addition to the items for Low Seismicity)

GEOLOGIC SITE HAZARDS

- LIQUEFACTION: Liquefaction-susceptible, saturated, loose granular soils that could jeopardize the building's seismic performance shall not exist in the foundation soils at depths within 50 feet under the building. (Commentary: Sec. A.6.1.1)



Building Name: 353 Kearny Street Date: 10/23/2017
 Building Address: 353 Kearny St. San Francisco, CA 94104 Page: 2 of 2
 Job Number: B7445021.00 Job Name: 353 Kearny St. Seismic Evaluation By: JVT Checked: KAJ

ASCE 41-13 Life Safety Basic Configuration Checklist

C NC N/A U **Comments**

- SLOPE FAILURE: The building site is sufficiently remote from potential earthquake-induced slope failures or rockfalls to be unaffected by such failures or is capable of accommodating any predicted movements without failure. (Commentary: Sec. A.6.1.2)
- SURFACE FAULT RUPTURE: Surface fault rupture and surface displacement at the building site is not anticipated. (Commentary: Sec. A.6.1.3)

HIGH SEISMICITY (Complete the following items in addition to the items for Low and Moderate Seismicity)

FOUNDATION CONFIGURATION

- OVERTURNING: The ratio of the least horizontal dimension of the seismic-force-resisting system at the foundation level to the building height (base/height) is greater than $0.6S_a$. (Commentary: Sec. A.6.2.1 Tier 2: Sec. 5.4.3.3)
- TIES BETWEEN FOUNDATION ELEMENTS: The foundation has ties adequate to resist seismic forces where footings, piles, and piers are not restrained by beams, slabs, or soils classified as Site Class A, B, or C. (Commentary: Sec. A.6.2.2. Tier 2: Sec. 5.4.3.4)

$38ft / 61.5ft = 0.61$
 $(38+10) / 70.5 = 0.68$
 $51ft / 70.5ft = 0.68$
 $0.6 * S_a = 0.594$



Building Name: 353 Kearny Street

Date: 10/23/2017

Building Address: 353 Kearny St. San Francisco, CA 94104

Page: 1 of 2

Job Number: B7445021.00 Job Name: 353 Kearny St. Seismic Evaluation

By: JVT Checked:

**ASCE 41-13 Life Safety Structural Checklist for Building Types URM:
Unreinforced Masonry Bearing Walls with Flexible Diaphragms and URMA:
Unreinforced Masonry Bearing Walls with Stiff Diaphragms**

C NC N/A U

Comments

LOW AND MODERATE SEISMICITY

SEISMIC FORCE RESISTING SYSTEM

- REDUNDANCY: The number of lines of shear walls in each principal direction is greater than or equal to 2. (Commentary: Sec. A.3.2.1.1. Tier 2: Sec. 5.5.1.1)
- SHEAR STRESS CHECK: The shear stress in the unreinforced masonry shear walls, calculated using the Quick Check procedure of Section 4.5.3.3, is less than 30 lb/in.² for clay units and 70 lb/in.² for concrete units. (Commentary: Sec. A.3.2.5.1. Tier 2: Sec. 5.5.3.1.1)

Max Stress = 264 psi

CONNECTIONS

- WALL ANCHORAGE: Exterior concrete or masonry walls that are dependent on the diaphragm for lateral support are anchored for out-of- plane forces at each diaphragm level with steel anchors, reinforcing dowels, or straps that are developed into the diaphragm. Connections shall have adequate strength to resist the connection force calculated in the Quick Check procedure of Section 4.5.3.7. (Commentary: Sec. A.5.1.1. Tier 2: Sec. 5.7.1.1)
- WOOD LEDGERS: The connection between the wall panels and the diaphragm does not induce cross-grain bending or tension in the wood ledgers. (Commentary: Sec. A.5.1.2. Tier 2: Sec. 5.7.1.3)
- TRANSFER TO SHEAR WALLS: Diaphragms are connected for transfer of seismic forces to the shear walls. (Commentary: Sec. A.5.2.1. Tier 2: Sec. 5.7.2)
- GIRDER-COLUMN CONNECTION: There is a positive connection using plates, connection hardware, or straps between the girder and the column support. (Commentary: Sec. A.5.4.1. Tier 2: Sec. 5.7.4.1)

Max anchorage demand = 4520 lbf
Anchor capacity = 3600 lbf

HIGH SEISMICITY (Complete the following items in addition to the items for Low and Moderate Seismicity)

SEISMIC-FORCE-RESISTING-SYSTEM

- PROPORTIONS: The height-to-thickness ratio of the shear walls at each story is less than the following (Commentary: Sec. A.3.2.5.2. Tier 2: Sec. 5.5.3.1.2):
 - Top story of multi-story building 9
 - First story of multi-story building 15
 - All other conditions 13
- MASONRY LAYUP: Filled collar joints of multi-wythe masonry walls have negligible voids. (Commentary: Sec. A.3.2.5.3. Tier 2: Sec. 5.5.3.4.1)

Top story = 12.5ft
Wall thickness = 13in
H/t = 11.5 > 9

Solid brick wall (okay)



Building Name: 353 Kearny Street

Date: 10/23/2017

Building Address: 353 Kearny St. San Francisco, CA 94104

Page: 2 of 2

Job Number: B7445021.00 Job Name: 353 Kearny St. Seismic Evaluation

By: JVT Checked: _____

**ASCE 41-13 Life Safety Structural Checklist for Building Types URM:
Unreinforced Masonry Bearing Walls with Flexible Diaphragms and URMA:
Unreinforced Masonry Bearing Walls with Stiff Diaphragms**

C NC N/A U

Comments

DIAPHRAGMS (STIFF OR FLEXIBLE)

- OPENINGS AT SHEAR WALLS: Diaphragm openings immediately adjacent to the shear walls are less than 25% of the wall length. (Commentary: Sec. A.4.1.4. Tier 2: Sec. 5.6.1.3)
- OPENINGS AT EXTERIOR MASONRY SHEAR WALLS: Diaphragm openings immediately adjacent to exterior masonry shear walls are not greater than 8 ft long. (Commentary: Sec. A.4.1.6. Tier 2: Sec. 5.6.1.3)

FLEXIBLE DIAPHRAGMS

- CROSS TIES: There are continuous cross ties between diaphragm chords. (Commentary: Sec. A.4.1.2. Tier 2: Sec. 5.6.1.2)
- STRAIGHT SHEATHING: All straight sheathed diaphragms have aspect ratios less than 2-to-1 in the direction being considered. (Commentary: Sec. A.4.2.1. Tier 2: Sec. 5.6.2)
- SPANS: All wood diaphragms with spans greater than 24 ft consist of wood structural panels or diagonal sheathing. (Commentary: Sec. A.4.2.2. Tier 2: Sec. 5.6.2)
- DIAGONALLY SHEATHED AND UNBLOCKED DIAPHRAGMS: All diagonally sheathed or unblocked wood structural panel diaphragms have horizontal spans less than 40 ft and aspect ratios less than or equal to 4-to-1. (Commentary: Sec. A.4.2.3. Tier 2: Sec. 5.6.2)
- OTHER DIAPHRAGMS: The diaphragm does not consist of a system other than wood, metal deck, concrete, or horizontal bracing. (Commentary: Sec. A.4.7.1. Tier 2: Sec. 5.6.5)

No visible cross-ties in building

CONNECTIONS

- STIFFNESS OF WALL ANCHORS: Anchors of concrete or masonry walls to wood structural elements are installed taut and are stiff enough to limit the relative movement between the wall and the diaphragm to no greater than 1/8 in. before engagement of the anchors. (Commentary: Sec. A.5.1.4. Tier 2: Sec. 5.7.1.2)
- BEAM, GIRDER, AND TRUSS SUPPORTS: Beams, girders, and trusses supported by unreinforced masonry walls or pilasters have independent secondary columns for support of vertical loads. (Commentary: Sec. A.5.4.5. Tier 2: Sec. 5.7.4.4)

Girders have steel spreader beams to provide added support, providing secondary support intent.



Building Name: 353 Kearny Street

Date: 10/23/2017

Building Address: 353 Kearny St. San Francisco, CA 94104

Page: 1 of 2

Job Number: B7445021.00 Job Name: 353 Kearny St. Seismic Evaluation

By: JVT Checked: _____

ASCE 41-13 S1 / S1A Life Safety Structural Checklist: Steel Moment Frames with Stiff or Flexible Diaphragms

C NC N/A U

Comments

LOW SEISMICITY

Seismic-Force-Resisting System

- DRIFT CHECK: The drift ratio of the steel moment frames, calculated using the Quick Check procedure of Section 4.5.3.1, is less than 0.025.
(Commentary: Sec. A.3.1.3.1. Tier 2: Sec. 5.5.2.1.2)
- AXIAL STRESS CHECK: The axial stress due to gravity loads in columns subjected to overturning forces is less than $0.10F_y$. Alternatively, the axial stress due to overturning forces alone, calculated using the Quick Check procedure of Section 4.5.3.6, is less than $0.30F_y$.
(Commentary: Sec. A.3.1.3.2. Tier 2: Sec. 5.5.2.1.3)
- FLEXURAL STRESS CHECK: The average flexural stress in the moment frame columns and beams, calculated using the Quick Check procedure of Section 4.5.3.9 is less than F_y . Columns need not be checked if the Strong Column/Weak beam checklist item is Compliant.
(Commentary: Sec. A.3.1.3.3. Tier 2: Sec. 5.5.2.1.5)

Connections

- TRANSFER TO STEEL FRAMES: Diaphragms are connected for transfer of seismic forces to the steel frames.
(Commentary: Sec. A.5.2.2. Tier 2: Sec. 5.7.1)
- STEEL COLUMNS: The columns in seismic-force-resisting frames are anchored to the building foundation.
(Commentary: Sec. A.5.3.1. Tier 2: Sec. 5.7.3.1)

MODERATE SEISMICITY (Complete the following items in addition to the items for Low Seismicity)

Seismic-Force-Resisting System

- REDUNDANCY: The number of lines of moment frames in each principal direction is greater than or equal to 2. The number of bays of moment frames in each line is greater than or equal to 2.
(Commentary: Sec. A.3.1.1.1. Tier 2: Sec. 5.5.1.1)
- INTERFERING WALLS: All concrete and masonry infill walls placed in moment frames are isolated from structural elements.
(Commentary: Sec. A.3.1.2.1. Tier 2: Sec. 5.5.2.1.1)
- MOMENT-RESISTING CONNECTIONS: All moment connections are able to develop the strength of the adjoining members based on the specified minimum yield stress of steel.
(Commentary: Sec. A.3.1.3.4. Tier 2: Sec. 5.5.2.2.1). Note more restrictive requirements for High Seismicity.

Only one frame line exists in structure



Building Name: 353 Kearny Street Date: 10/23/2017
 Building Address: 353 Kearny St. San Francisco, CA 94104 Page: 2 of 2
 Job Number: B7445021.00 Job Name: 353 Kearny St. Seismic Evaluation By: JVT Checked: _____

**ASCE 41-13 S1 / S1A Life Safety Structural Checklist:
Steel Moment Frames with Stiff or Flexible Diaphragms**

C NC N/A U Comments

HIGH SEISMICITY (Complete the following items in addition to the items for Low and Moderate Seismicity)

Seismic-Force-Resisting System

- MOMENT-RESISTING CONNECTIONS: All moment connections are able to develop the strength of the adjoining members or panel zones based on 110 percent of the expected yield stress of the steel per AISC 341 Section A3.2. (Commentary: Sec. A.3.1.3.4. Tier 2: Sec. 5.5.2.2.1)
- PANEL ZONES: All panel zones have the shear capacity to resist the shear demand required to develop 0.8 times the sum of the flexural strengths of the girders framing in at the face of the column. (Commentary: Sec. A.3.1.3.5. Tier 2: Sec. 5.5.2.2.2)
- COLUMN SPLICES: All column splice details located in moment-resisting frames include connection of both flanges and the web. (Commentary: Sec. A.3.1.3.6. Tier 2: Sec. 5.5.2.2.3)
- STRONG COLUMN / WEAK BEAM: The percentage of strong column / weak beam joints in each story of each line of moment frames is greater than 50 percent. (Commentary: Sec. A.3.1.3.7. Tier 2: Sec. 5.5.2.1.5)
- COMPACT MEMBERS: All frame elements meet section requirements set forth by AISC 341 Table D1.1 for moderately ductile members. (Commentary: Sec. A.3.1.3.8. Tier 2: Sec. 5.5.2.2.4)

Diaphragms (Stiff or Flexible)

- OPENINGS AT FRAMES: Diaphragm openings immediately adjacent to the moment frames extend less than 25 percent of the total frame length. (Commentary: Sec. A.4.1.5. Tier 2: Sec. 5.6.1.3)

Flexible Diaphragms

- CROSS TIES: There are continuous cross ties between diaphragm chords. (Commentary: Sec. A.4.1.2. Tier 2: Sec. 5.6.1.2)
- STRAIGHT SHEATHING: All straight sheathed diaphragms have aspect ratios less than 2-to-1 in the direction being considered. (Commentary: Sec. A.4.2.1. Tier 2: Sec. 5.6.2)
- SPANS: All wood diaphragms with spans greater than 24 feet consist of wood structural panels or diagonal sheathing. (Commentary: Sec. A.4.2.2. Tier 2: Sec. 5.6.2)
- UNBLOCKED DIAPHRAGMS: All diagonally sheathed or unblocked wood structural panel diaphragms have horizontal spans less than 40 feet and aspect ratios less than or equal to 4-to-1. (Commentary: Sec. A.4.2.3. Tier 2: Sec. 5.6.2)
- OTHER DIAPHRAGMS: The diaphragm does not consist of a system other than wood, metal deck, concrete, or horizontal bracing. (Commentary: Sec. A.4.7.1. Tier 2: Sec. 5.6.5)

No visible cross-ties in building

ARCHITECTURE
PLANNING & RESEARCH
BUILDING TECHNOLOGY

www.page-furnbull.com

417 Montgomery Street, 8th Floor
San Francisco, California 94104
415.362.5154 / 415.362.5560 fax

2401 C Street, Suite B
Sacramento, California 95816
916.930.9903 / 916.930.9904 fax

417 S. Hill Street, Suite 211
Los Angeles, California 90013
213.221.1200 / 213.221.1209 fax





SAN FRANCISCO PLANNING DEPARTMENT

October 10, 2018

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

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Re: Transmittal of Planning Department Case Numbers: 2018-006629MLS; 2018-006717MLS; 2018-006796MLS; 2018-006690MLS; 2018-006794MLS; 2018-007338MLS

Six Individual Mills Act Historical Property Contract Applications for the following addresses: 2253 Webster Street; 353 Kearny Street; 465-467 Oak Street; 587 Waller Street; 354-356 San Carlos Street; 811 Treat Avenue

BOS File Nos: _____ (pending)

Historic Preservation Commission Recommendation: Approval

Dear Ms. Calvillo,

On October 3, 2018 the San Francisco Historic Preservation Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Mills Act Historical Property Contract Applications. At the October 3, 2018 hearing, the Commission voted to approve the proposed Resolutions.

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

The Project Sponsors submitted the Mills Act applications on May 1, 2018. As detailed in the Mills Act application, the Project Sponsors have committed to Rehabilitation and Maintenance plans that will include both annual and cyclical scopes of work. The Mills Act Historical Property Contract will help the Project Sponsors mitigate these expenditures and will enable the Project Sponsors to maintain the properties in excellent condition in the future.

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

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2018 OCT 10 PM 3:54

Transmittal Materials
Mills Act Historical Property Contracts

The Mills Act Historical Property Contract is time sensitive. Contracts must be recorded with the Assessor-Recorder by December 30, 2018 to become effective in 2019. Your prompt attention to this matter is appreciated.

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

Sincerely,



Aaron D. Starr
Manager of Legislative Affairs

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

Attachments:

Mills Act Contract Case Report, dated October 3, 2018

2253 Webster Street

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

353 Kearny Street

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

465-467 Oak Street

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

587 Waller Street

Historic Preservation Commission Resolution
Draft Mills Act Historical Property Contract

**Transmittal Materials
Mills Act Historical Property Contracts**

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

354-356 San Carlos Street

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

811 Treat Avenue

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

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

City Elective Officer Information <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, Board of Supervisors	City elective office(s) held: Members, Board of Supervisors
Contractor Information <i>(Please print clearly.)</i>	
Name of contractor: Pine Kearny LLC	
Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary. Glenn Gilmore, President Jesse Feldman, Vice President	
Contractor address: 590 Pacific Ave. San Francisco, CA 94133	
Date that contract was approved: <i>(By the SF Board of Supervisors)</i>	Amount of contracts: \$26,963 (estimated property tax savings)
Describe the nature of the contract that was approved: Mills Act Historical Property Contract	
Comments:	

This contract was approved by (check applicable):

the City elective officer(s) identified on this form

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

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

Print Name of Board

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

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

Date Signed

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

Date Signed