



# SAN FRANCISCO PLANNING DEPARTMENT

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## PRE-APPROVAL INSPECTION REPORT

*Report Date:* May 24, 2018  
*Inspection Date:* May 24, 2017; 9:00am  
*Filing Date:* May 1, 2018  
*Case No.:* 2018-006690MLS  
*Project Address:* 587 Waller Street  
*Block/Lot:* 0865/021  
*Eligibility:* Contributor to the Duboce Park Historic District  
*Zoning:* RTO – Residential Transit Oriented District  
*Height & Bulk:* 40-X  
*Supervisor District:* District 8 (Jeff Sheehy)  
*Project Sponsor:* Christopher Hansten, June Kwon  
*Address:* 4658 18<sup>th</sup> St. PH  
San Francisco, CA 94114  
650-218-3876, 415-531-0939  
[chrish@mac.com](mailto:chrish@mac.com), [june.kwon@gmail.com](mailto:june.kwon@gmail.com)  
*Staff Contact:* Shannon Ferguson – (415) 575-9074  
[shannon.ferguson@sfgov.org](mailto:shannon.ferguson@sfgov.org)  
*Reviewed By:* Tim Frye – (415) 575-6822  
[tim.frye@sfgov.org](mailto:tim.frye@sfgov.org)

### PRE-INSPECTION

- Application fee paid
  - Record of calls or e-mails to applicant to schedule pre-contract inspection
- 5/1/18 – email applicant to confirm receipt of application
- 5/14/18 – Schedule site visit and provide comments on application
- 5/21/18 - Reschedule site visit
- 5/24/18 – phone call with applicant and email follow up comments on application

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: May 24, 9am

- 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

**587 Waller Street (District 8)** 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.

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

The rehabilitation plan proposes seismic upgrades/foundation retrofitting, roof replacement, front façade restoration, and replacement of front windows with new double-hung, wood sash windows with ogee lugs. The estimated cost of the rehabilitation work is \$153,000.

The maintenance plan proposes to inspect and make any necessary repairs to the gutters and front façade on an annual basis with an estimated cost of \$1,200 annually; and inspect and make any necessary repairs to the roof every five years with an estimated cost of \$300.

## CONDITIONS FOR APPROVAL

- Contractor estimates are needed for the Rehabilitation work.

PHOTOGRAPHS





# 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: <b>Chris Hansten</b>	TELEPHONE: (650) 218-3876
PROPERTY OWNER 1 ADDRESS: <b>4658 18th St PH San Francisco 94114</b>	EMAIL: <b>chrish@mac.com</b>

PROPERTY OWNER 2 NAME: <b>June Kwon</b>	TELEPHONE: (415) 531-0939
PROPERTY OWNER 2 ADDRESS: <b>4658 18th St PH San Francisco 94114</b>	EMAIL: <b>june.kwon@gmail.com</b>

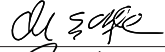
PROPERTY OWNER 3 NAME:	TELEPHONE: ( )
PROPERTY OWNER 3 ADDRESS:	EMAIL:


## 2. Subject Property Information

PROPERTY ADDRESS: <b>587 Waller St San Francisco CA</b>	ZIP CODE: <b>94117</b>
PROPERTY PURCHASE DATE: <b>July 11, 2017</b>	ASSESSOR BLOCK/LOT(S): <b>Block: 0865, Lot 021</b>
MOST RECENT ASSESSED VALUE: <b>162,751\$</b>	ZONING DISTRICT: <b>RTO</b>

Are taxes on all property owned within the City and County of San Francisco paid to date?	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
Is the entire property owner-occupied? 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.	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
Do you own other property in the City and County of San Francisco? If Yes, please list the addresses for all other property owned within the City of San Francisco on a separate sheet of paper.	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
Are there any outstanding enforcement cases on the property from the San Francisco Planning Department or the Department of Building Inspection? If Yes, all outstanding enforcement cases must be abated and closed for eligibility for the Mills Act.	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>

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: 4/28/2018

Owner Signature:  Date: 4/28/2018

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 <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
The property is a Commercial/Industrial Building valued at less than \$5,000,000.	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>

\*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:
Chris Hansten
June Kwon
MOST RECENT ASSESSED PROPERTY VALUE:
162,751\$
PROPERTY ADDRESS:
587 Waller St

### 5. Other Information

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

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

Owner Signature:  Date: 4/28/2018

Owner Signature:  Date: 4/28/2018

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

## 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.



**Exhibit A: Rehabilitation/Restoration Plan for 587 Waller Street**

**#1 Building Feature: Foundation**

Rehab/Restoration  Maintenance  Completed  Proposed

Contract Year Work Completion: 2019

Total Cost: \$172,600

Description of Work:

The building foundation had not been earthquake retrofitted and the current foundation was brick and concrete veneer. We engaged an architect and a structural engineer to investigate the foundation, and we have implemented necessary repairs/improvements in order to protect the house in the event of future earthquakes. The foundation is being fully retrofitted, and the shared foundation footing with 581 Waller is being separated for better structural stability. The foundation is being retrofitted with structural steel supports. These repairs will be designed to avoid altering, removing or obscuring character-defining features of the property.

**#2 Building Feature: Roof**

Rehab/Restoration  Maintenance  Completed  Proposed

Contract Year Work Completion: 2019

Total Cost: \$31,800

Description of Work:

The current roof is old and in poor repair. We have engaged an architect and a roofing contractor and are replacing the roof with new asphalt/composition shingles. New GSM gutters and downspouts will be installed also. Installation of the new roof will avoid changing the roof configuration, or altering, removing or obscuring character-defining features of the building, including decorative elements in the gable ends, as well as eave trim and moldings.

**#3 Building Feature: Front facade**

Rehab/Restoration  Maintenance  Completed  Proposed

Contract Year Work Completion: 2019

Total Cost: \$15,000

Description of Work:

Repaint the front facade of the house and repair damage or deterioration to existing siding. If any elements are determined to be damaged or deteriorated beyond repair, replacements will be made in kind.

**#4 Building Feature: Windows –front facade**

Rehab/Restoration  Maintenance  Completed  Proposed

Contract Year Work Completion: 2019

Total Cost: \$18,000

Description of Work:

Repair existing or replace in kind nine (9) windows on the front facade with historically appropriate double-hung wood sash windows with ogee lugs. The design of the new windows will replicate the profiles of the existing double-hung wood windows with ogee lugs.

**#5 Building Feature: Front steps and porch**

Rehab/Restoration  Maintenance  Completed  Proposed

Contract Year Work Completion: 2021

Total Cost: \$25,000

Description of Work:

We are currently working with our architect and SF planning staff to submit an appropriate design for the restoration of the front steps and porch. The restoration plan will be focused on a more compatible railing.

#6 Building Feature: Front façade Restoration

Rehab/Restoration  Maintenance  Completed  Proposed

Contract Year Work Completion: 2021

Total Cost: \$75,000

Description of Work:

We are currently working with our architect and SF planning staff to submit an appropriate design for the restoration of the front facade. The restoration plan will be focused on an historically accurate interpretation of the original ornamentation and detailing - horizontal and vertical moldings around windows, cornice lines, etc. We have also contracted SF Home History to do a detailed archive search for historic photos of the building. We plan to do this work after the current renovation is complete.

**Exhibit B: Maintenance Plan for 587 Waller Street**

#7 Building Feature: Gutters and downspouts

Rehab/Restoration  Maintenance  Completed  Proposed

Contract Year Work Completion: Annually

Total Cost: \$300

Description of Work:

We will service our gutters and downspouts every year, removing debris and inspecting for leaks. As such time we will confirm that the downspouts direct water away from the house and that no water is infiltrating the foundation. If any drainage issues are found, we will repair or replace the gutters and downspouts as necessary. Repair or replacement of the gutters will avoid altering, removing or obscuring character-defining features of the building. This maintenance routine will be informed by the guidance outlined in the National Park Service's Preservation Brief 47: Maintaining the Exterior of Small and Medium Size Historic Buildings.

#8 Building Feature: Windows

Rehab/Restoration  Maintenance  Completed  Proposed

Contract Year Work Completion: Annually

Total Cost: \$400

Description of Work:

Once the windows have been repaired, we will inspect them every year and repaint as necessary. If any damage or deterioration is found, the extent and nature of the damage will be assessed. Any needed repairs will avoid altering, removing or obscuring character-defining features of the building. If any elements are determined to be damaged or deteriorated beyond repair, replacements will be made in kind. This maintenance routine will be informed by the guidance outlined in the National Park Service's Preservation Brief 47: Maintaining the Exterior of Small and Medium Size Historic Buildings.

#9 Building Feature: Front steps and porch

Rehab/Restoration  Maintenance  Completed  Proposed

Contract Year Work Completion: Annually

Total Cost: \$400

Description of Work:

Inspect front steps and porch for failing paint or deteriorated wood, and make any necessary repairs in kind.

#10 Building Feature: Front facade

Rehab/Restoration  Maintenance  Completed  Proposed

Contract Year Work Completion: Annually

Total Cost: \$200

Description of Work:

Once the house has been repainted, we will inspect the wooden elements of the façade approximately every year and repaint as necessary. If any damage or deterioration is found, the extent and nature of the damage will be assessed. Any needed repairs will avoid altering, removing or obscuring character-defining features of the building. If any elements are determined to be damaged or deteriorated beyond repair, replacements will be made in kind (e.g., wood for wood). This maintenance routine will be informed by the guidance outlined in the National Park Service's Preservation Brief 47: Maintaining the Exterior of Small and Medium Size Historic Buildings.

#11 Building Feature: Roof

Rehab/Restoration  Maintenance  Completed  Proposed

Contract Year Work Completion: Every five years

Total Cost: \$300

Description of Work:

Once the roof has been replaced or repaired, we will have a licensed roofing contractor conduct periodic inspections approximately every 5 years to ensure that it remains in good condition. Any needed repairs will avoid altering, removing or obscuring character-defining features of the building. This maintenance routine will be informed by the guidance outlined in the National Park Service's Preservation Brief 47: Maintaining the Exterior of Small and Medium Size Historic Buildings.

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

N/A  
PROPERTY NAME (IF ANY)  
587 Waller Street  
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 Chris Hansten and June Kwon ("Owner/s").

### RECITALS

Owners are the owners of the property located at 587 Waller Street, in San Francisco, California  
PROPERTY ADDRESS  
0865 / 021. The building located at 587 Waller Street  
BLOCK NUMBER LOT NUMBER PROPERTY ADDRESS

is designated as Duboce Park Landmark District pursuant to Article 10 of the Planning Code (e.g. "a City Landmark pursuant to Article 10 of the Planning Code") and is also known as the N/A.  
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 One hundred and sixty eight thousand dollars (\$ \$183,600). 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 Five hundred and sixty dollars (\$ \$560) 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:

## 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:

_____	_____	_____	_____
<b>CARMEN CHU</b>	Date	<b>JOHN RAHAIM</b>	Date
ASSESSOR-RECORDER		DIRECTOR OF PLANNING	
CITY & COUNTY OF SAN FRANCISCO		CITY & COUNTY OF SAN FRANCISCO	
_____		_____	
APPROVED AS PER FORM:		Signature	Date
<b>DENNIS HERRERA</b>		_____	
CITY ATTORNEY		Print name	
CITY & COUNTY OF SAN FRANCISCO		DEPUTY CITY ATTORNEY	
_____		_____	
Signature	Date	Signature	Date
_____		_____	
Chris Hansten		June Kwon	
_____		_____	
Print name		Print name	
OWNER		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.)

State of California

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

On: \_\_\_\_\_ before me, \_\_\_\_\_ ,  
DATE INSERT NAME OF THE OFFICER

NOTARY PUBLIC personally appeared: \_\_\_\_\_ ,  
NAME(S) OF SIGNER(S)

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

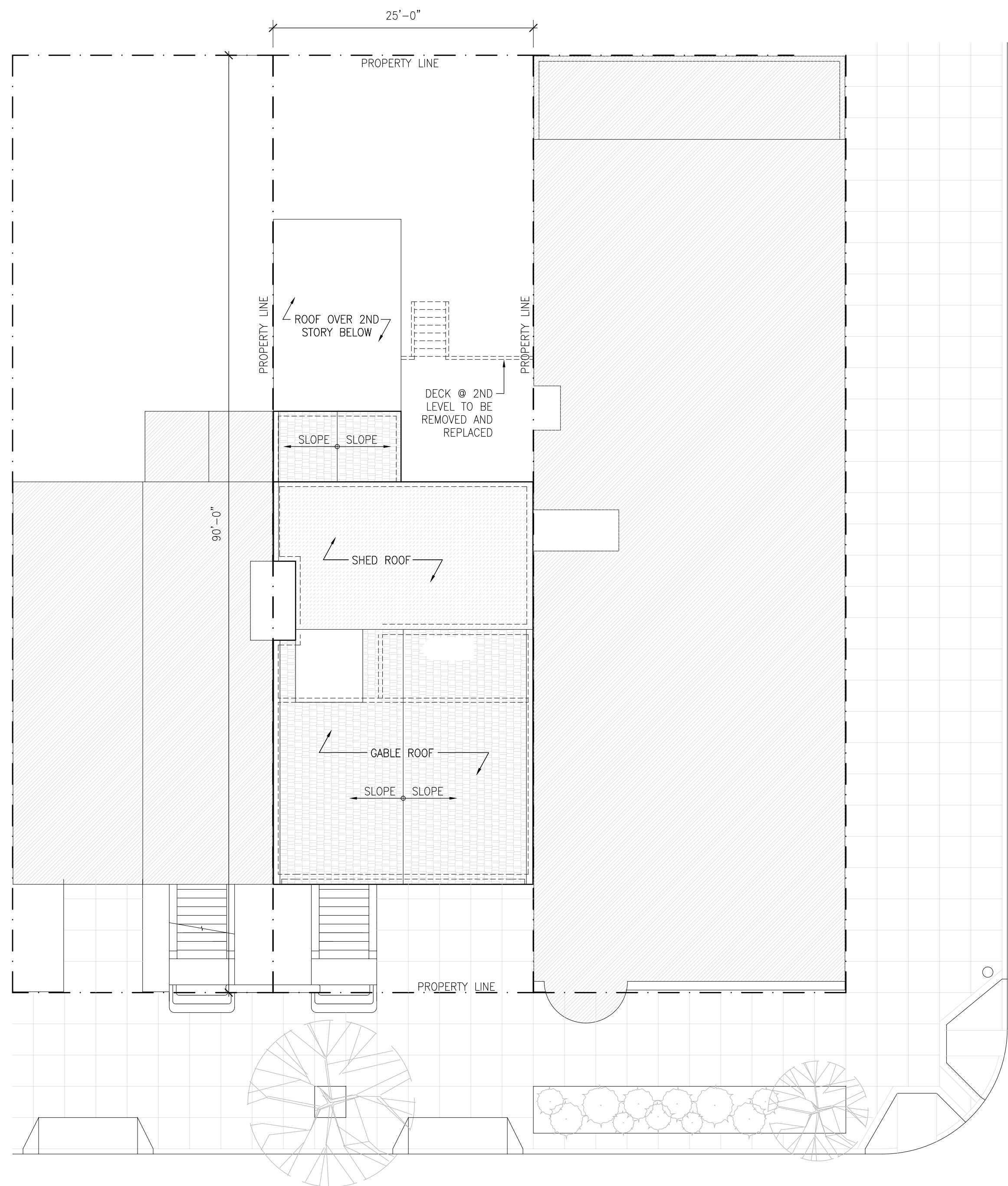
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
SIGNATURE

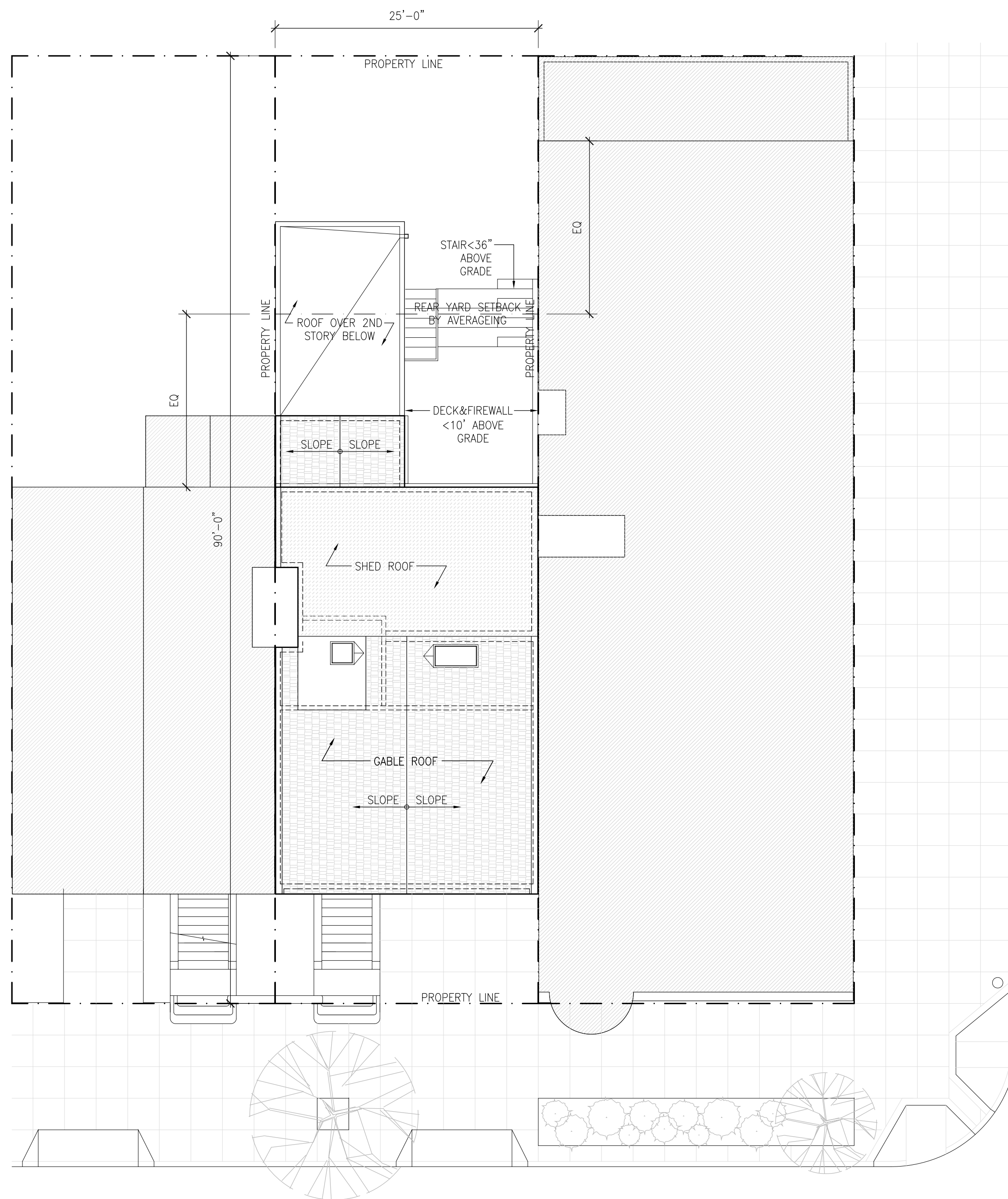
( PLACE NOTARY SEAL ABOVE )





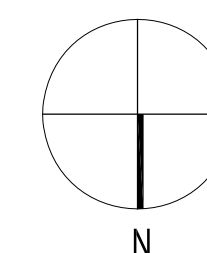
WALLER STREET

1 EXISTING SITE PLAN  
SCALE: 1/8" = 1'-0"



WALLER STREET

2 PROPOSED SITE PLAN  
SCALE: 1/8" = 1'-0"



TROY KASHANIPOUR ARCHITECTURE 2325 3RD STREET SUITE 401, SF CA 94107. PHONE/FAX 415.631.0869

587 WALLER STREET

OWNER:  
JUNE KWON & CHRIS HANSTEN  
587 WALLER ST  
SAN FRANCISCO, CA 94117  
PHONE: 415.541.0939  
JUNE.KWON@GMAIL.COM  
CHRISH@MAC.COM

ISSUED FOR PERMIT DATE:  
10.03.2017

CONSULTANT  
-

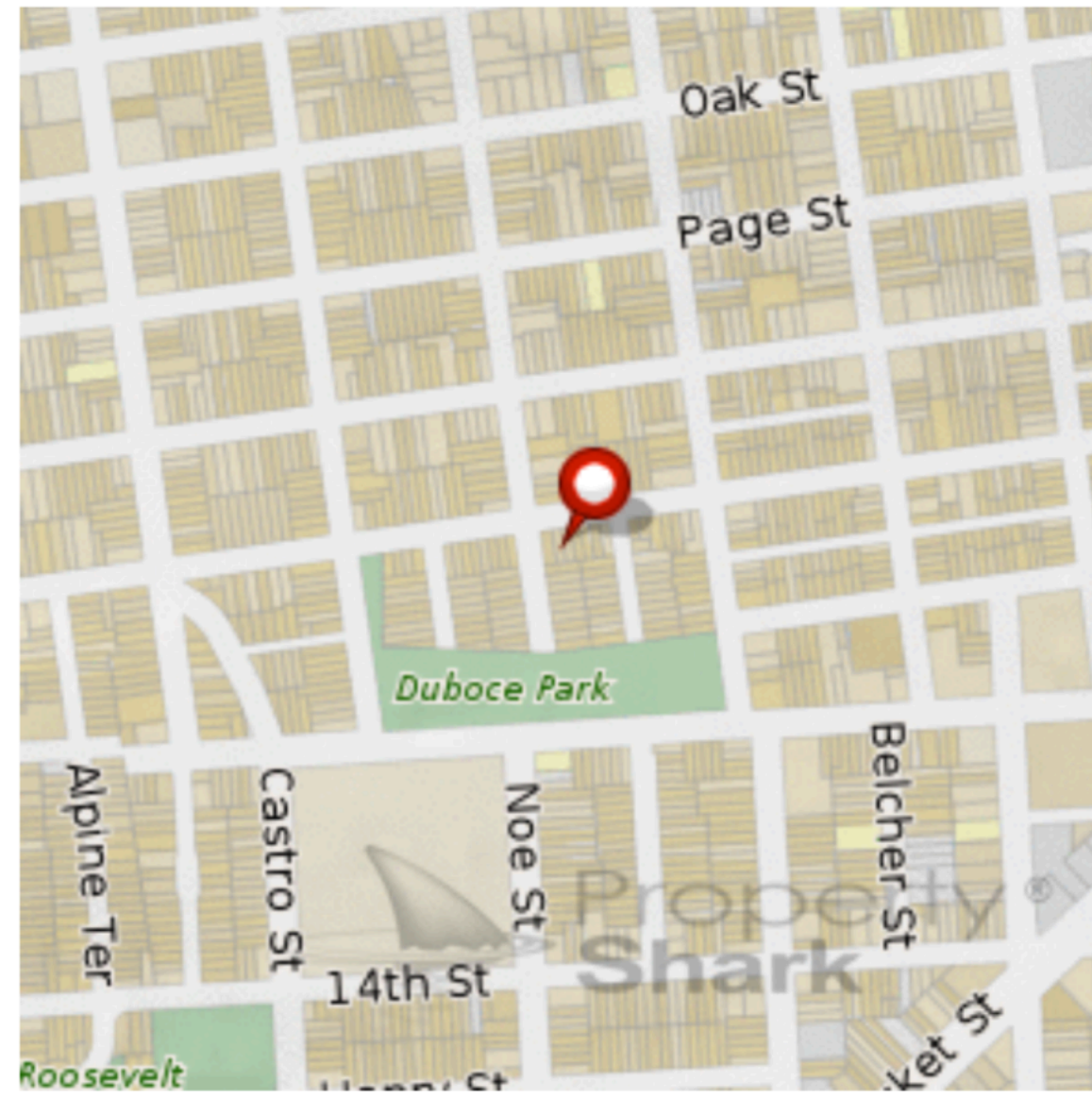
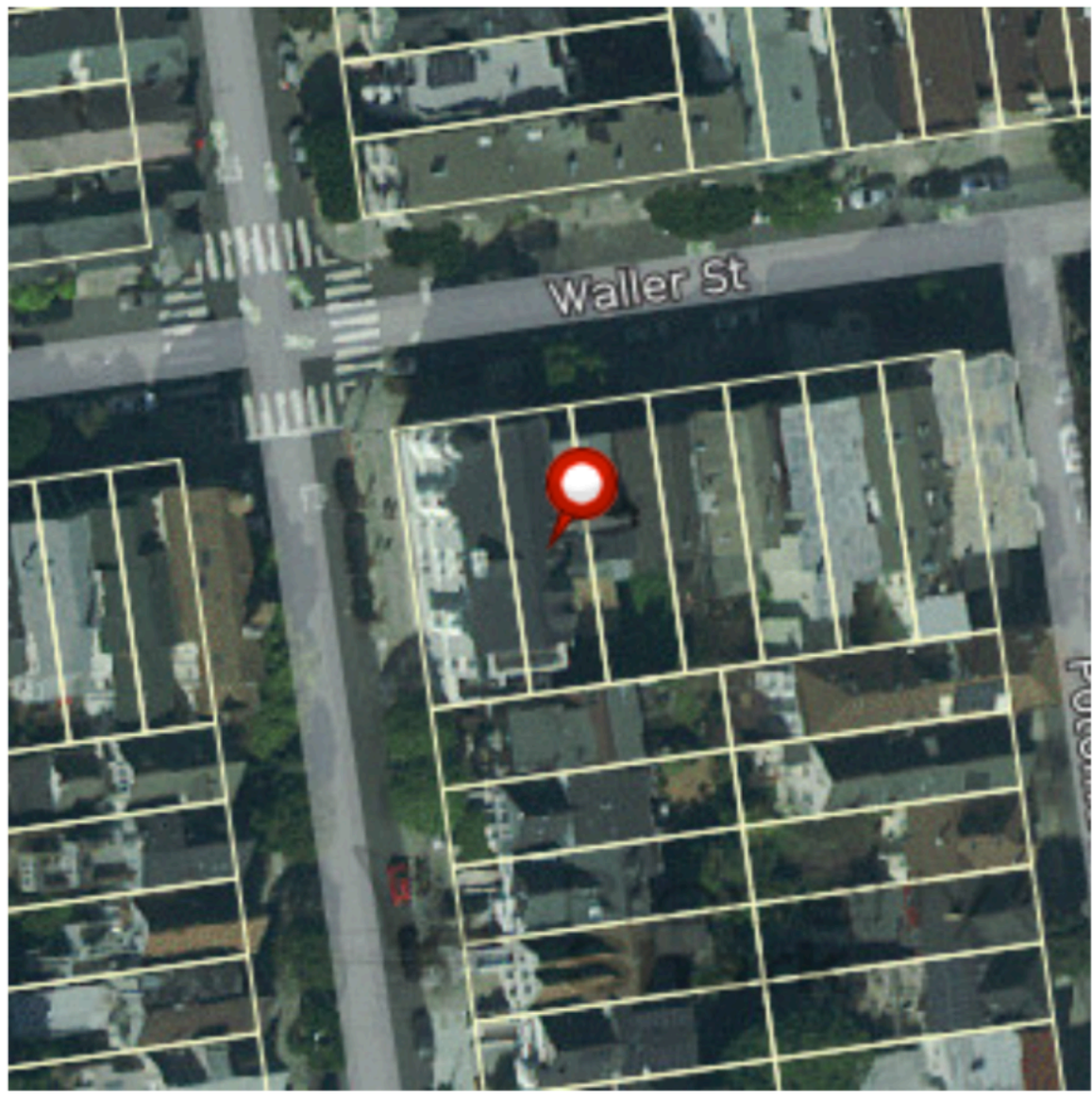
APPROVAL

DRAWN: TK  
CHECKED: TK  
SCALE: 1/4" = 1'-0"



EXISTING & PROPOSED  
SITE PLANS

A0.1





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.sftreasurer.org

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

Vol 06	Block 0865	Lot 021	Account Number 086500210	Tax Rate 1.1723%	Original Mail Date October 11, 2017	Property Location 587 WALLER ST
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Assessed on January 1, 2017 at 12:01am  
 To: NAME PRIVATE PER CA AB 2238

**ADDRESS INFORMATION  
 NOT AVAILABLE ONLINE**

Assessed Value		
Description	Full Value	Tax Amount
Land	52,673	617.48
Structure	117,078	1,372.50
Fixtures		
Personal Property		
Gross Taxable Value	169,751	1,989.99
Less HO Exemption	7,000	82.06
Less Other Exemption		
Net Taxable Value	162,751	\$1,907.92

Direct Charges and Special Assessments			
Code	Type	Telephone	Amount Due
46	SF BAY RS PARCEL TAX	(888) 508-8157	12.00
91	SFCCD PARCEL TAX	(415) 487-2400	99.00
<b>Total Direct Charges and Special Assessments</b>			<b>\$111.00</b>

<b>▶ TOTAL DUE</b>		<b>\$2,018.92</b>
1st Installment		2nd Installment
\$1,009.46		\$1,009.46
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](http://SFTREASURER.ORG)

Vol 06	Block 0865	Lot 021	Account Number 086500210	Tax Rate 1.1723%	Original Mail Date October 11, 2017	Property Location 587 WALLER ST
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Check if contribution to Arts Fund is enclosed.  
 For other donation opportunities go to [www.Give2SF.org](http://www.Give2SF.org)

Delinquent after APRIL 10, 2018

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

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

**2**

<b>▶ 2nd Installment Due</b>	
<b>\$1,009.46</b>	

If paid or postmarked after APRIL 10, 2018  
 the amount due (includes delinquent penalty of  
 10% and other applicable fees) is: \$1,155.40

0608650002100 036091 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](http://SFTREASURER.ORG)

Vol 06	Block 0865	Lot 021	Account Number 086500210	Tax Rate 1.1723%	Original Mail Date October 11, 2017	Property Location 587 WALLER ST
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Check if contribution to Arts Fund is enclosed.  
 For other donation opportunities go to [www.Give2SF.org](http://www.Give2SF.org)

Delinquent after DECEMBER 11, 2017

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.

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

**1**

<b>▶ 1st Installment Due</b>	
<b>\$1,009.46</b>	

If paid or postmarked after DECEMBER 11, 2017  
 the amount due (includes delinquent penalty of  
 10%) and other applicable fees) is: \$1,110.40

0608650002100 036091 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"><li>• Online: <a href="http://sftreasurer.org">http://sftreasurer.org</a></li><li>• Mail a check payable to "SF Tax Collector" with the bottom portion of bill in the enclosed envelope</li><li>• In person at City Hall, Room 140 8 am - 5 pm, Monday - Friday, excluding holidays. Expect longer than normal wait times around delinquency dates.</li></ul>	<p>Call: 3-1-1 415-701-2311 from outside of San Francisco</p> <p>Submit question online: <a href="http://sftreasurer.org/contact-us">http://sftreasurer.org/contact-us</a></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 gratuit / 無料の言語支援 / 무료 언어 지원 / Libreng tulong para sa wikang Tagalog / คว"มช่วยเหลือท"งภ"ษ"โดยไม่เสียค่าใช้จ่าย</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](http://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](http://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](http://sco.ca.gov/ardtax_prop_tax_postponement.html).

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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.

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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.
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