

Justin Appold
112 Russ Street
San Francisco, CA 94103
October 14th 2025

To the Members of the San Francisco Historic Preservation Commission:

Re: Item concerning 1035 Howard Street — Mills Act Waiver Request

Dear Commissioners,

I am writing as a nearby homeowner at 112 Russ Street to share my concerns regarding the request for a Mills Act exemption waiver for 1035 Howard Street. You may remember me from prior meetings - I am the firefighter across the street that helped galvanize the opposition for this project at the prior SFHPC meetings. Unfortunately, I found out about this meeting at the last minute and I'm at work this time, but hopefully you'll take a few moments to consider my letter.

I believe the developers are asking for more help without delivering on the promises they made to the SFHPC last time around and I am writing to make sure you do not give them any more handouts without them first delivering on their end of the bargain.

As you know, the Mills Act allows commercial properties valued at \$5 million or less to qualify for tax benefits, or for higher-valued properties to qualify only if they meet *exceptional criteria*—specifically:

1. The site, building, or structure is a particularly significant resource; and
2. Granting the exemption will assist in the preservation of a site, building, or structure that would otherwise be in danger of demolition, substantial alteration, or disrepair.

Given that this building sold for over **\$25 million in 2018** and again for approximately **\$8 million in April 2025**, it is difficult to conclude that it is “in danger of demolition, substantial alteration, or disrepair.” However, I understand the desire to ensure that this historic building is preserved and restored in a way that benefits the neighborhood and honors its architectural character.

Moreover, this developer has already received **significant special treatment** from the City and the SFHPC, including allowances to alter the historic character of the property and to convert it for use as a **storage facility** and to waive active use requirements on upper floors—despite broad neighborhood opposition. The South of Market community has repeatedly expressed that we want to see this landmark building used in ways that enhance neighborhood life and economic vitality, not hollowed out for a use that provides almost no community benefit.

The SFHPC previously suggested that any flexibility around upper-floor active-use requirements could only be justified if the developer provided **true, functional active-use spaces** on the

ground floor along Howard and Russ Streets. Instead, the most recent plans include **narrow mezzanine platforms with low ceiling heights (in some areas reportedly under 7 feet) on the Russ Street** side inside the roll downs that cannot accommodate normal commercial operations, dining, or retail use. These mezzanines appear designed only to serve internal storage or circulation for the self-storage facility, rather than create genuine storefront activity or neighborhood-serving businesses. Also concerning, the developers have attempted to classify a small “**retail storage shop**” as active use—something that does little to generate pedestrian interest or community benefit.

Furthermore, promised investments in **street lighting and beautification**—key elements in gaining early Commission support—have been absent or significantly reduced in recent plan revisions.

Given these issues, I strongly urge the Commission to **deny** the Mills Act waiver request **unless** the developers commit to creating **authentic, ground-floor active-use spaces that local proprietors would actually want to rent and activate**—spaces with adequate ceiling heights, natural light, and pedestrian visibility that reflect and celebrate the **beautiful historic nature** of this building. These conditions should be clearly defined, enforceable, and tied to the building’s Mills Act eligibility.

Without such commitments, granting this waiver would set a troubling precedent—rewarding developers who seek public incentives without fulfilling their preservation or community obligations.

The neighborhood has been patient and consistent in asking that 1035 Howard not become another inactive or underutilized site. A Mills Act designation, if granted, should come with **accountability** and **public benefit**—ensuring that the building’s preservation also strengthens the social and economic fabric of the South of Market community.

Thank you for your consideration and for your continued stewardship of San Francisco’s historic built environment.

Respectfully,
Justin Appold
Homeowner, 112 Russ Street
San Francisco, CA 94103

Re: Item concerning 1035 Howard Street — Mills Act Waiver Request

From Jon Garcia <gogarcia@gmail.com>

Date Wed 10/15/2025 3:25 PM

To Ferguson, Shannon (CPC) <shannon.ferguson@sfgov.org>; CPC-Commissions Secretary <commissions.secretary@sfgov.org>

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

To the Members of the San Francisco Historic Preservation Commission:

Re: Item concerning 1035 Howard Street — Mills Act Waiver Request

Please consider the attached letter regarding the proposed Mills Act Contract at [1035 Howard St](#). This is agenda item 9 for the SFHPC meeting tomorrow, October 15, 2025.

Dear Commissioners,

I am writing to express my strong opposition regarding the request for a Mills Act exemption waiver for 1035 Howard Street. Like other concerned neighbors, I urge the Commission to **deny** this waiver request, as granting it would set a troubling precedent. The developers are asking for more help without having delivered on promises they made previously to the SFHPC.

The Mills Act Waiver is a Bailout for Speculators

The Mills Act provides tax benefits for historical commercial properties valued at \$5 million or less, or for higher-valued properties only if they meet "exceptional criteria". These criteria specifically require that the exemption will assist in the preservation of a structure that would otherwise be in danger of demolition, substantial alteration, or disrepair.

It is difficult to conclude that 1035 Howard Street meets the criteria of being "in danger of demolition, substantial alteration, or disrepair". This property sold for over **8 million in April 2025**. Given these high valuations, we believe this request is simply a **bail out for speculators**, rewarding developers who seek public incentives without fulfilling their community obligations. This developer has already received significant special treatment from the City and the SFHPC, and we urge you not to give them any more handouts.

Conversion to Storage Creates a Dead Zone, Not Community Benefit

The South of Market community has repeatedly expressed that we want to see this landmark building used in ways that enhance neighborhood life and economic vitality, not hollowed out for a use that provides almost no community benefit. The building has already been granted allowances to alter its historic character and to **convert it for use as a storage facility**.

We strongly caution against this use, as storage buildings become **dead zones** for the neighborhood (as evidenced by other storage buildings in SOMA). Converting the property to a self-storage facility, which provides almost no community benefit, transforms this Category II – Significant Building into another inactive or underutilized site.

The community opposed the allowances to waive active use requirements on upper floors, and the most recent plans for the ground floor confirm these concerns. The developer's plans feature narrow mezzanine platforms with low ceiling heights (reportedly under 7 feet in some areas) on the Russ Street side. These spaces cannot accommodate normal commercial operations, dining, or retail use and appear designed only to serve internal storage or circulation for the self-storage facility, failing to create genuine storefront activity or neighborhood-serving businesses. Furthermore, classifying a small "retail storage shop" as active use does little to generate pedestrian interest or community benefit.

SOMA Cannot Bear Further Burden for City Services

In addition to our strong opposition to the storage use and the financial waiver, we are also concerned about potential future uses of the building. The sources note that the property is located in the MUG – Mixed Use-General District in District 6. We insist that this building should **NOT be converted to a homeless shelter** or other high-intensity social service uses, as the South of Market neighborhood is already bearing most of the City Services for the poor. The preservation of this historic building, designed in the Art Deco style, must strengthen the social and economic fabric of the SOMA community.

Conclusion

We urge the Commission to **deny** the Mills Act waiver request unless the developers commit to creating **authentic, ground-floor active-use spaces** that local proprietors would actually want to rent and activate. These spaces must have adequate ceiling heights, natural light, and pedestrian visibility that reflect and celebrate the beautiful historic nature of this building.

A Mills Act designation, if granted, must come with accountability and public benefit. We ask the SFHPC to hold the developer accountable for the promises made, including investments in street lighting and beautification, which have been absent or significantly reduced in recent plan revisions. Thank you for your consideration and for ensuring that preservation decisions require genuine community benefit.

Respectfully,

EJ Garcia

+25 year resident of 142 Russ

Sent with [Mixmax](#)

FW: 1035 HOWARD SF. Important neighborhood input.

From CPC-Commissions Secretary <commissions.secretary@sfgov.org>

Date Thu 10/16/2025 8:16 AM

Cc Ferguson, Shannon (CPC) <shannon.ferguson@sfgov.org>; Feliciano, Josephine (CPC) <josephine.feliciano@sfgov.org>

Best,
Josephine O. Feliciano, Planning Technician II
Commission Affairs
San Francisco Planning
49 South Van Ness Avenue, Suite 1400, San Francisco, CA 94103
Direct: 628.652.7600 | www.sfplanning.org
San Francisco Property Information Map

-----Original Message-----

From: Bob Gordon <Bob@Gordon7Paris.com>

Sent: Thursday, October 16, 2025 1:38 AM

To: CPC-Commissions Secretary <commissions.secretary@sfgov.org>

Cc: Justin Appold <justinappold@gmail.com>; Bob Gordon <Bob@Gordon7Paris.com>

Subject: 1035 HOWARD SF. Important neighborhood input.

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

To members of the commission:

My name is Robert C Gordon III. For 20+ years I have owned and managed the property at 146/150 Russ St. It has a total of eight units. I've seen the neighborhood deteriorate and more recently gradually improve.

I am a San Francisco native, Lowell HS, and worked for 28 years as an assistant district attorney in San Francisco under four separate elected district attorneys— From the late Arlo Smith all the way through, to and including Kamala Harris.

(I tried many three strikes and homicide cases and the ladder portions of my career.)

I write to support, 100%, the thoughtful, detailed, comprehensive and articulate email from Justin Appold re the application of the Mills Act.

The issue is simple: has or has not the developer of 1035 Russ St. fully fulfilled its obligations in the contractual agreements already in place with the city at this address?

The neighborhood renters and owners as well as the city designated departments have worked in good faith to develop this long-abandoned and unhealthy property (in legal parlance, a very large and dangerous "attractive nuisance") with the developer. I have spoken with one of the developers lead agents and found him to be very cooperative and professional.

Everyone in this community wants the developer to succeed and prosper in this project as long as the developer meets its written commitments.

As yet another very concerned neighborhood owner, I urge the commission to assure that the under-performance and defects set out by Mr. Appold are fully cured.

Respectfully,

Bob Gordon

Sent from my iPhone