



SAN FRANCISCO PLANNING DEPARTMENT

October 9, 2015

Ms. Angela Calvillo, Clerk
Board of Supervisors
City and County of San Francisco
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**Re: Transmittal of Planning Department Case Number:
2015-006448MLS
Mills Act Historical Property Contract Application for the following address:
761 Post Street (Contributor to the Lower Nob Hill Apartment Hotel National
Register Historic District)
BOS File No: _____ (pending)
Historic Preservation Commission Recommendation: Approval**

Dear Ms. Calvillo,

On October 7, 2015 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 Application. **At the October 7, 2015 hearing, the Commission voted to recommend approval.**

The Resolution recommends the Board of Supervisors approve the Mills Act Historical Property Contract, rehabilitation and maintenance plans for the property located at 761 Post Street, a contributor to the Lower Nob Hill Apartment Hotel National Register Historic District.

Please note that the Project Sponsor submitted the Mills Act application on May 1, 2014. 761 Post Street is currently valued by the Assessor's Office as over \$5,000,000 (see attached Market Analysis and Income Approach reports). The subject property qualifies for an exemption as it is a contributor to the Tenderloin Apartment Hotel National Register District. 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. (See attached Exhibit E).

The Contract involves a proposed rehabilitation and maintenance plan that outlines a cycle of annual inspections and maintenance and a longer-term maintenance cycle to be performed. Please refer to the attached exhibits for specific work to be completed for each property.

The Project Sponsor has already completed substantial rehabilitation efforts, including construction of new shear walls, roof replacement, and concrete repair and restoration of the Post Street façade. The applicants have developed a thorough Rehabilitation and Maintenance Plan that involves the following scopes of work: concrete repair and restoration at remaining non-street

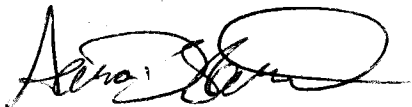
facing elevations, wood window rehabilitation at the façade, in-kind replacement of aluminum windows on non-street facing elevations, and rehabilitation of steel casement windows at ground floor and fire stairs. The proposed Maintenance Plan includes: inspection of all windows annually, inspection of façade and roof every five years, and repainting of the façade every ten years. Any needed repairs will be made in kind and will avoid altering, removing or obscuring character-defining features of the building.

The attached draft Contract will help the Project Sponsor mitigate these expenditures and will enable the Project Sponsor to maintain the property in excellent condition in the future.

As detailed in the Mills Act application, the Project Sponsor has committed to a maintenance plan that will include both annual and cyclical inspections and maintenance. Furthermore, 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. Please find attached documents relating to the Commission's action.

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

Sincerely,



Aaron D Starr
Manager of Legislative Affairs

Attachments:

- Historic Preservation Commission Resolution No. 754
- Mills Act Contract Case Report, dated October 7, 2015
- Exhibit A: Draft Mills Act Historical Property Contract
- Exhibit B: Draft Rehabilitation & Maintenance Plan
- Exhibit C: Draft Mills Act Valuation provided by the Assessor-Recorder's Office
- Exhibit D: Mills Act Application
- Exhibit E: Historic Structure Report

CC:

- Alisa Somera, Assistant Clerk
- Derek Evans, Assistant Clerk
- John Carroll, Legislative Clerk
- Kanishka Burns, Aide to Supervisor Christensen
- Andrea Ruiz-Esquide, Deputy City Attorney