

April 2, 2019

San Francisco Planning Department's Historic Preservation Committee
1650 Mission Street, Ste. 400
San Francisco, CA 94103

RE CASE NO: 2018-017223DES

BLOCK/LOT: 4268/001

Dear Historic Preservation Commissioners,

On behalf of Galería de la Raza/Studio 24 (Galería) we are in support of the historical designation of 2851 -2861 24th Street.

For almost 5 decades Galería operated out of 2851 & 2857 24th Street, two storefronts located in bloc/lot: 4368/001. The historical designation of this site would honor and celebrate the 600 plus artists whose work helped create Galería, and to the thousands of patrons who explored and were influenced by Latinx art, culture, ideas, and community of the last 48 years.

Both the interior and exterior are of materially important cultural significance and together are the site under consideration. Performers such as, Lydia Mendoza, Culture Clash, Coco Fusco, Guillermo Gomez-Peña, Naomi Ricon-Gallardo, Paul Flores, Leticia Hernandez, Antanas Mockus, John Santos presented live performances to thousands of audiences. Furthermore, visual artist such as Rene Yañez, Ralph Maradiaga, Dr. Amalia Mesa-Bains, Ester Hernandez, Lorraine Garcia-Nakata, Irene Perez, Melanie Cervantez, Jesus Barraza, Juan Fuentes, Jessica Sabogal found a home to showcase their artwork – in many cases, Galería was the first cultural space to showcase their work to public audiences, from here, many are now in major collections. This site is one of the country's leading cultural place-making and place-keeping platforms where community memory, popular culture, ceremony, family and social activism created historic and distinguished Latinx iconography.

We kindly and respectfully ask for the strongest historical designation ordinance be created so that this cultural treasure can be protected and continue to be in use for cultural assembly. In doing so, the cultural legacy of hundreds of arts practitioners will be cemented into the future.

Addressing the Arguments Against Historical Designation

We feel obligated to set the record and respond to inaccuracies outlined in the letter by the Ng Family. Throughout the years, on multiple occasions Galería reached out to the Ng Family Trust to request a written lease and attempt to negotiate favorable terms for both parties, most recently during the negotiations of 2018. In all attempts, the Ng Family expressed lack of interest in discussing lease terms. After significant deliberations and with a heavy heart, Galería's leadership (board of directors and staff)—with the support of community elders and artists—made the daring yet difficult decision to enter into a phase of exile from our home the last 5 decades. This decision was made with determination and as a stepping stone toward building a more secure future for us and the community. Below are a few facts providing context for our decision:

- Galería had a month-to-month lease for nearly 46 years at the corner of 24th and Bryant Street. This was due to the refusal of the building's owners, the Ng family, to negotiate a multiyear lease with us. Please see the attachment 1, letter which was presented to the Ng Family trust in 1994.
- In 2016, with the support from the City and County of San Francisco and local Foundations, Galería made a \$500,000 one-time investment offer to address structural

and ADA improvements needed to bring the building up to code if we received a multi-year lease in order to justify the public and private investment. The Ng family declined a multi-year lease agreement for Galería and the grants could not be made. See attachment 2 & 3

- Since the lease rejection from the Ng Family, Galería began to seek a permanent home elsewhere.
- On June 16, 2018 Galería received notice of a 100% rent increase effective August 2018. In an effort to stay in our space, we proposed several counter offers to the Ng family.
- On September 2018 the Ng family agreed that Galería could keep one fourth of its current space and continue paying the same amount of rent. We were willing to accept this unjust compromise to avoid the loss of another community space on Calle 24, the Latino Cultural District. See attachment 4.
- However, upon review of the proposed lease agreement (provided by the property manager and approved by the Ng Family), we learned that Galería would be responsible for the building repairs and improvements mandated by new city codes. Galería would have assumed liability for over \$750,000 in improvements to the Ng property, plus our monthly rent and the likelihood of limited operations during the building rehab and construction phase. We could not accept these terms for only a two-year term, that carried month-to-month stipulations. Meaning, the property owner could raise the rent at any point during the two-year term and or terminate our tenancy on a 30-day written notice.
- When we explained the injustice and long-term harm to us of the proposed lease, the Ng family served Galería with a three day “pay or quit” eviction notice if the new lease was not signed and the 100% rent was not paid.
- With the support of Supervisor Hillary Ronen and other city officials, the three-day notice was rescinded and negotiations resumed. Unfortunately, the Ng Family representative left the bargaining table and subsequently refused to provide a fair and reasonable lease to Galería. Yet, Galería made several attempts to pay rent during the negotiations to which the property manager refused to receive Galería rent payment.
- In the attempt to encourage the Ng Family to return to the negotiation table, a community group went to their home on Nov. 3, 2018 asking for a fair and reasonable lease. Once again, the Ng Family did not respond.

Since leaving the site, Galería has made attempts to negotiate with the Ng Family and have been in communication with their attorney regarding the the maintenance of the mural project and we have yet to hear back from them. Galería has explained the day-to-day extensive work it has done throughout the years to maintain the mural (e.g., construction of the frame, lights, community outreach and the on-going visual programming). We also shared that since the fire of 2015, there has not been any such repeat vandalism. Furthermore, we also explained that Galería does not and cannot control the community’s reaction to Galería displacement of its historic, legacy site, and that its current condition is as heartbreaking to Galería as it is to anyone.

Since 1974, the Mural Installation frame was built and installed at Galería/Studio 24’s expense. It and the space it frames should be permanently dedicated to murals suitable to the art, culture, and issues of concern in the Latino Cultural District. Galería has expressed its desire that this historically important place of public memory continue to be dedicated to the display of murals that foster and integrate well within the Latino Cultural District in which it exists, just as Galería has done for decades. Below is what Galería proposed to the Ng Family attorney. At its own expense, Galería is willing to:

- Galería will assume the burden and obligation of continued curation of the Mural Installation, selecting artists to create digital murals for the space and installing them,

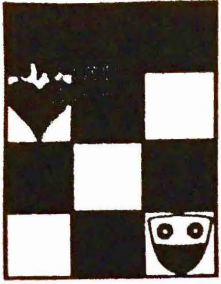
including coordination and payment of the artists, and the changing mural installations and deinstallations.

- Galería installed the lighting over the Mural Installation at its own expense. Such lighting provides a safer corner and the Mural Installation should be lit at night. Galería will pay for lighting the Mural Installation and will change the lightbulbs and do other maintenance of the lighting system as needed.
- Galería will continue to provide insurance for the Mural Installation at its own expense, the scope and amounts of such insurance to be reasonably and mutually agreed.
- Galería will conduct community outreach and educational programs in association with the mural curation.

For Galería the historical designation is an important and necessary step that will guarantee the next seven generations to come after us, will have its history preserved and revered, its present is celebrated and fought for, and that there will continue to be a site of public memory.

Sincerely,

Ani Rivera
Executive Director



Galería de la Raza / Studio 24

October 15, 1994

Ms. Lily Ng
1340 Pacific
San Francisco, CA 94109

Dear Ms. Ng:

I am writing this letter to formally ask you for a response regarding our interest in purchasing the building we occupy at 2851 and 2857 24th Street in San Francisco.

Please consider that you have a unique opportunity with Galeria de la Raza. We are interested in the property because it is in a neighborhood we have been part of for the past twenty three years. We are a community based organization, and this is where our people are. The property may not be as desirable to someone else on the open market.

For a number of months, we have been assembling the means to finance the purchase. In order for us to arrive at an offering price, we must be able to see each of the apartments to assess the condition of the utilities and premises. We know we'll have to do some work on the building, and we are prepared to do it. Our offer would be for the building "as is". We are asking your permission to notify the tenants of a time in the future when such a visit may take place.

There are many reasons why it may be advantageous to you to sell the building at this time.

1. Our offer would be an all-cash deal. We would not be asking for any form of owner financing. This type of transaction is difficult to achieve these days.
2. We are flexible and open to any resolution that we can accommodate regarding the purchase. That is, we are willing to buy all or part of the property. Perhaps you might want to keep some or all the apartments.

Since we have been pursuing this matter for the past few months, time is of the essence in this matter. Please let us know by phone or in writing if you are interested in pursuing this transaction now or sometime in the near future (the next three to five years). I need to hear from you or your representative within the next five business days. Thank you for your time and consideration in this matter.

Very truly yours,

Liz Lerma, Executive Director
cc. Richard Bains, Brigitte Davila



2857 24th Street
San Francisco, CA 94110
ph 415.826.8009
info@galeriadelaraza.org
www.galeriadelaraza.org

June 1, 2016

Ms. Lily Ng
c/o Carol Foo
P.O. Box 641024
San Francisco, CA 94164

Re: LETTER OF INTENT TO LEASE
2851 & 2857 24th Street, San Francisco, CA 94110

Galería de la Raza | Studio 24, Tenant is pleased to submit the following proposal to lease space in the above referenced building incorporating the following terms and conditions. It is not intended by the parties that the terms of this letter are contractually binding in any way, but rather they serve as the basis for the preparation of a formal agreement.

Tenant: Galería de la Raza | Studio 24

Lessor: Lily Ng c/o Carol Foo

Premises: 2851 Approximately 1,274 rentable square feet ("RSF") and 2857 approximately 2,276 rentable square feet ("RSF") consisting of the ground floor of the building (the "Premises").

Term: Five (5) years.

Commencement Date: The Lease shall commence on August 1, 2016

Use: Community based non-profit cultural center, featuring exhibitions, performance, literary and music programs and public art programs.

Base Rent: The annual monthly base rental rate, not including janitorial and utilities for the Premises, shall be Year 1: \$3,127; Year 2: \$3,282.40; Year 3: \$3,442.60; Year 4: \$3,607.75; and Year 5: \$3,778.02. In addition to the proposed base rent, tenant will complete, at its own cost, a series of one-time tenant improvements to the premises valued at \$300,000, see Tenant's Work below.

Rent Abatement: The first three (3) months of Base Rent shall be abated, as construction will make the space inoperable.

Operating Expenses & Real Estate Taxes: In addition to Base Rent, Tenant shall pay:

- The cost of separately-metered utilities for the Premises,
- Garbage and janitorial expenses for the Premises,
- Tenant shall not be responsible for any share of increases in Real Estate tax amounts that cumulatively exceed increases of more than 3% due to a sale or transfer of the Building or Premises.

Landlord's Work: Lessor, at Lessor's sole cost and expense, shall be responsible for maintaining all building mechanical, electrical, HVAC, and the life safety systems and subsystems, structural elements and foundation in good condition, working order.

Tenant's Work: Tenant, at its sole cost, will complete a series of one-time tenant improvements to the premises. The one-time tenant improvements consist of improvements to the existing gallery spaces, which occupy floors of two buildings on the same lot. The following is an outline of the proposed work:

- Façade improvement: new paint, entry door, new glazing and signage and minor structural earthquake retrofitting
- ADA accessible entry, ADA bathroom and interior layout to the 2857 premises.
- Structural upgrades, build out of full kitchen, new interior walls; soundproofing to the 2857 premises.

Tenant shall not be required to remove any improvements initially constructed for the Term, subject to Lessor's approval of final plans for the Premises.

est. 1970

GALERÍA DE LA RAZA



2857 24th Street
 San Francisco, CA 94110
 ph 415.826.8009
 info@galeriadelaraza.org
www.galeriadelaraza.org

- Security:** Tenant will maintain its own commercial security management system.
- Renewal Option:** Tenant shall have two (2) five (5) year Renewal Options. The Renewal Options shall be exercised no earlier than 18 months and no later than 9 months prior to the expiration of the prior Term. The Rent for all space then under lease by Tenant will be negotiated based on the final year base rent amount with an increase between 3% - 5%.
- Right to Sublease / Assign:** Tenant shall have the right to sublet / assign all or any portion of the Premises during the lease term. Such subletting/assigning shall be subject to Landlord's written consent, which shall not be unreasonably withheld or delayed. Any subletting/assigning profits shall be split 50/50 between Lessor and Tenant. Landlord shall not have the right to recapture.
- Access:** Lessor shall provide access to the Premises twenty-four (24) hours per day, three hundred sixty-five (365) days per year. Tenant shall have the right to install its own security system in the Premises.
- Signage:** Tenant, at its sole cost and expense, shall be entitled to exterior Building signage as permitted by the Landlord and City and County of San Francisco (and to any other public authorities having jurisdiction).
- Right of First Offer and or Option to Buy:** In the event Lessor, during the Term of this Lease Agreement, elects to put the Premises on the market for sale or receives an offer that Lessor is prepared to accept, Lessor shall first offer to sell the Premises to Tenant on such price and terms and conditions that Lessor intends to offer or is prepared to accept, and Tenant shall have thirty (30) days to accept such price and terms and conditions. If Lessor and Tenant cannot agree on the price and terms and conditions for the sale of the Premises to Tenant within such thirty (30) day period, then Lessor shall be free to put the Premises for sale on the market for the same purchase price and terms and conditions as were initially offered to Lessee.
- Brokerage Commission:** Parties recognize that there are no commissions or finder's fees associated with this transaction.
- Confidentiality:** Neither party will disclose the facts of this negotiation or its terms to any third party except representatives or agents who have a need to know and who commit to maintain the confidentiality hereby required.
- Expiration Date:** Tenant requests a meeting with Lessor and would like to schedule it by June 15, 2016

The submission of this Proposal does not constitute an offer to lease. No agreement shall exist between Lessor and Tenant until both parties have executed and delivered a fully executed lease document. Tenant shall have no liability for any expenses incurred by Lessor in anticipation of the lease or in replying to this Proposal.

AGREED AND ACCEPTED:
 TENANT

Sign: _____

Print: Ani Rivera

Title: Executive Director, Galería de la Raza | Studio 24

AGREED AND ACCEPTED:
 Lessor

Sign: _____

Print: Lily Ng c/o Carol Foo

Title: _____



Ani Rivera <ms.anirivera@gmail.com>

Response to your proposal

1 message

bryant2600@att.net <bryant2600@att.net>
Reply-To: bryant2600@att.net
To: Ani Rivera <director@galeriadelaraza.org>

Tue, Jun 21, 2016 at 7:35 PM

Hi Ani,

Sorry in not getting back to you sooner. I am having serious health issues where I am heavily medicated and I only have limited energy to deal with business affairs.

I cannot communicate with you verbally or with anyone else because I am having a vocal problem.

As we discuss a few months earlier, we are not interested in issuing a lease agreement with your organization. The rental will continued on a month to month basis. This is our firm and final decision on this matter. I will not be discussing this issue any further.

Regards,
Carol



2857 24th Street
San Francisco, CA 94110
ph 415.826.8009
info@galeriadelaraza.org
www.galeriadelaraza.org

Sept. 20th, 2018

Ms. Lily Ng
c/o GBA Realty
1592 Yosemite Ave
San Francisco, CA 94124

Re: 2851 & 2857 24th Street, San Francisco, CA 94110

Ms. Ng and (Quan Phan):

On behalf of the Galería de la Raza (Galería), we'd like to extend our thanks and appreciation for the postponement of the rent increase until October 1st, versus the originally proposed August 1st start date. We recognize this gesture as a sign of good faith which honors our long time relationship as tenants at 24th and Bryant. We are writing to reiterate our request for an in-person meeting with you.

As such, we urge you to consider the following counter offer: If you allow us to maintain our tenancy at our current rental rates through 2018, starting Jan 2019 we would be willing to forgo the space at 2857. This would allow us to maintain some presence within the community at the 2851 unit at our current rate. In short, we would be willing to pay the current rent for only one of the spaces, at the corner unit alone.

You may be aware of Galería's status as a historical legacy business with the City of San Francisco, that the Galería is located on the 24th Street corridor which anchors the Latino Cultural District and that it includes a zoning regulation called, Special Use District. This designation prescribes several criteria for commercial leases in the district which may affect your ability to secure new tenants at the rental price you are seeking.

Furthermore, the Mission district is undergoing rapid gentrification resulting in the displacement of long term residents and businesses at alarming rates. In response, community organizations are mobilizing against what are perceived to be attacks on pillars of the community. An in-person meeting with us to discuss our proposal would also help advance this conversation with the community.

We thank you for your consideration and hope for the opportunity for further discussion.

Sincerely,

Ani Rivera
Executive Director

est. 1970

GALERÍA DE LA RAZA



January 16, 2017

RE: Agenda Item 10 -2018-017223DES
Initiating Landmark Designation for Galeria de la Raza/Studio 24/Billboard

Preservation Commission,

The Mission Area Plan was adopted in December of 2008, without the inclusion of San Francisco's Latino Communities' documentation of our Historic Resources. From Reconstruction Period (Mexican Revolution & Immigration) 1907-1915, World Wars & Latino Neighborhoods (Latinos in New Century) 1916-1945, Post World Wars 1946-1960, Economic, Political & Cultural Empowerment (Latinos in Modern Era) 1961-1999, Cultural Affirmation & Resistance to Displacement 2000-1018 as required by CEQA for the rezoning of San Francisco's Mission District.

Latino Historical Society was established in 2012, to document and preserve the Latino experience in San Francisco in first voice. The founding members consist of SF Historians, Preservation Architects, Artist, and Community Representatives committed to preserving, interpreting, and promoting the contributions Latinos have made to the development to the City & County of San Francisco and the State of California.

The San Francisco Latino Historical Society supports the initiating study for the Landmark Designation of the Galeria de la Raza/Studio 24 Building located at the southwest corner of 24th and Bryant Street. For over 46 years, the Galeria de la Raza/Studio 24 (Galeria) Building and Billboard have been a major art and cultural anchor for the 24th Street Cultural District. The Mission Coalition Organization, an organization established to fight displacement in the Mission and address the issues of poverty, racial injustice was "the largest urban popular mobilization in San Francisco's recent history" that provided seed monies to establish the Galeria de la Raza.¹ Latino Artist up until the Galeria was established had been excluded from San Francisco's larger Arts & Culture. The Galeria was one of first galleries to provide a venue to showcase Latino Art & Culture.

"Sitio Y Lengua", a concept that scholars such as Emma Perez and others have studied, believe that in the main element for the creation of space is that people must have their own language in order to survive and flourish. When people were colonized their language was taken away and history of the residents is erased. Emma Perez, argues that without language there is no memory, "...Preserving or the reconstruction of histories, one can create a space - in the past -that sustains the community and allows them to have a different future."²

The Galeria was formed as a visual art space to recognize and understand the significance of the contributions of Latino Artists. Its focus was on first voice presentations and where language and culture could be retained. The Galeria's billboard murals were another way to have cultural expression be accessible the adjacent neighborhood and the Latino community. It is seen as an instrument to

¹ San Francisco Latino Historical Society: Oral History_ Michael Rios, November 2017.

² California Women and Politics: From the Gold Rush to the Great Depression, edited by Robert E. Cherny, Mary Ann Irwin & Anne Marie Wilson "I do not like the white man...he is a liar and a thief: Testimonies and the Politics of Resistance" Linda Heidenreich, pg 7.



communicate ideas and concepts in first voice about diversity of culture that make up the Latino experience, whether it be the Latino LGBTQ or the Women's movement.

The Latino Community's language, art and culture, events within the building and the billboard's mural are key elements in the creation of place and are important Latino Historic Resources to retain as a major art and cultural anchor for the Calle Veinte-Cuatro Cultural District.

Sincerely

FOUNDING MEMBERS
SAN FRANCISCO LATINO HISTORICAL SOCIETY

Anne Cervantes, *Architect, former City Hall Preservation Commissioner*

Alan Martinez, *Architect, former Preservation Commissioner*

Lorraine Garcia- Nakata, *Artist, Arts/Cultural Specialist, Commissioner, The National Museum of the American Latino, former Director, The Mexican Museum, former San Francisco Arts Commissioner and chair San Francisco Public Arts Program*

Dr. Carlos Cordova, *Historian, Professor of History-San Francisco State University, Latino Context Statement Historian*

cc. Mike Buehler, San Francisco Heritage

From: [Marie Shier](#)
To: [Smith, Desiree \(CPC\)](#)
Subject: Galeria de la Raza Historic Landmark Comment
Date: Tuesday, January 15, 2019 6:02:26 PM

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

Hello,

I write to offer my support for the hearing to make Galeria de la Raza, previously at 2857 24th Street, a historical landmark. I first came into contact with this place while doing undergrad at University of San Francisco. They welcomed me into their arms, and I learned a great deal while working there, including everything from art installation technique and event planning to social justice values and community organizing practice. I spent five years, in a variety of roles, working with this incredible group of people at this amazing place.

Although my first experience with Galeria was in 2012, their history is much, much deeper than that. They were one of the first organizations of their kind in the nation. They have made an enormous difference in the lives of a countless amount of people. The place, perfectly situated on the corner of 24th and Bryant, has served to connect them deeply with their communities and to bring them to the forefront of the Mission District and the Chicano Rights/Arts movement. IT IS PARAMOUNT that this place become a historical landmark. The billboard itself- an amazing story of perseverance and subversiveness in the best form- should absolutely be saved.

Feel free to reach out for additional information as necessary. I truly urge you to do the right thing- give Galeria the Historic Landmark status they deserve.

Warmly,
Marie Shier

From: [Paola de la Calle](#)
To: [Smith, Desiree \(CPC\)](#); [CPC-Commissions Secretary](#)
Subject: Galeria de la Raza SF Landmark
Date: Wednesday, January 16, 2019 10:58:53 AM

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

Dear SF Planning Department,

I write to you today to share how valuable Galeria de la Raza is to both San Francisco and the Mission, specifically 24th street. When I first visited San Francisco in 2016 I immediately fell in love with the city largely due to Galeria de la Raza. As an artist, I felt deeply connected and represented by the city and Galeria de la Raza after seeing the mural on the corner of Bryant and 24th. This mural has been the home of artwork by artists and cultural workers who represent the heart of this city and the Latinx community. These are artists recognized nationally and internationally (who bring enormous value to the city) and they often depict messages of community, equality, and justice. This mural has often been the center for vigil's, protests, ceremonies, and community engagement. It has included so many diverse voices and stories and it would be a disservice to the Latinx community and the city of San Francisco to lose this landmark which represents both history and progress. Making this mural a city landmark will uplift the many underrepresented voices this mural amplifies and honor the Indigenous, Queer, Black, Latinx, Migrant stories it publicly shares. The Latinx community of San Francisco deserves to have this cultural institution added to the list of historic landmarks so it can continue to be honored and enjoyed by all.

Warmly,
Paola

From: [Amalia Mesa-Bains](#)
To: [Ani Rivera](#); [Smith, Desiree \(CPC\)](#)
Subject: Galeria legacy
Date: Tuesday, January 15, 2019 11:10:56 PM

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

I have been a member of the Galeria de la Raza's Family for over 45 years as a board member and artist. As a former Commissioner of Art for the city of San Francisco I am well acquainted with the landmark status of community spaces and I would like to attest to the importance of the Galeria site. This corner space has been a touchstone for decades as a place of community value and artistic importance. City members and tourists from around the world have visited this cultural center. It is legendary for its exhibitions, originator of the city's Day of the Dead celebration and a gathering spot for artists and cultural figures from all over the Americas. The Galeria's storefront hosted the beginning of the mural movement through neighborhood art and originated the first exhibitions of art related to Frida Kahlo and by Frida Kahlo. There is no other Chicano or Latino and Chicano organization in the Bay Area that represents the best of the legacy of art and culture. The space should be preserved to remember the moments of artistic and cultural achievements that have been such a part of San Francisco's history.

Dr Amalia Mesa-Bains
Mac Arthur Fellow

January 16, 2019

Jessica Sabogal
1551 Southgate Ave 122
Daly City, CA
94015

To Whom It May Concern,

Galería de la Raza's historic billboard is the public voice of our community. With this 24 x 10 foot surface in the heart of the Mission, we have been able to publicly document and celebrate the sacredness of women, people of color, the disabled, queer and trans folks, immigrants and the undocumented, and our indigenous brothers and sisters, whom history has forced to believe are less than human. This billboard is a symbol of our own liberation, unbounded by man-made borders, white supremacy, and misogyny.

Neglecting to make the Billboard a historic landmark and removing its ownership from the Galería is a mistake. Being able to celebrate the "other" is what this city has always been known for. As someone that was born and raised in San Francisco, I have witness first-hand the homogenization of this city as a result of corporate greed and entitlement. Galería de la Raza, our billboard, and our gallery space are one of the only things we have left that truly belong to the community. I urge you to be on the right side of history and take a stand on this decision. Together, let's continue to publicly fight bigotry and bring validation and visibility to the issues of our community.

In Solidarity,
Jessica Sabogal

THE OWNER OF THE BUILDING AT 2851-2861 24TH STREET –
THE GALERIA DE LA RAZA/STUDIO 24 –
OBJECTS TO THE HISTORIC PRESERVATION LANDMARK DESIGNATION
CASE 2018-017223DES
BLOCK/LOT: 4268/001
ZONING: NCT (24TH MISSION NEIGHBORHOOD COMMERCIAL TRANSIT
HEARING DATE: JANUARY 16, 2019

To the Members of the Historic Preservation Commission:

The owner, Lily Ng Revocable Trust, **objects** to the Historic Preservation Landmark designation to her property located at 2851-2861 24th Street, San Francisco, CA 94110 known as The Galeria de la Raza/Studio 24 Building for the following reasons:

1. The owner was not aware that the tenant, The Galeria de la Raza/Studio 24, applied for the landmark designation for the Galeria de la Raza/Studio 24 Building. She did not receive any prior notices from the Planning Department and Historic Preservation Commission hearings at her address where she lives. Since she and her representative were unaware of the application process, they did not attend any meetings to block this designation. **THE OWNER DOES NOT APPROVE OF THIS PRESERVATION STATUS.**

The owner is an ailing elder in her mid-nineties who speaks and reads very little English and the former property manager was her daughter who was also an ailing senior. She was her mother's primary caretaker and died last year. Her daughter was in excruciating pain and fatigue from a terminal illness in 2016 - 2017. She was incapacitated and unable to manage the business affairs of the owner. A few months after her death, a professional property manager was hired.

The owner's mailing address was **incorrect**. To her knowledge, she did not receive any correspondence from the City Planning Department and Historic Preservation Commission, prior to today's hearing.

2. The director of the Galeria did not get the owner's approval for the Historic Preservation Landmark designation application and for the Legacy Business registration.
3. A dispute developed when the new property manager increased their rent from \$3,127 for two storefronts with 4,000 square feet to \$6,200. An eviction ensued after negotiations broke down around who would be responsible for paying ADA compliance.

The owner requires in-home care and lives off income from her property. The building is very old (built 1895) and costly to maintain. A rent increase is justified to pay for the high costs of repairs, taxes, insurance, and improvements. The costs of maintaining the sidewalks, trees, and sewer lines have skyrocketed in San Francisco. The owner had not been making a profit with this tenant, Galeria, and actually had been subsidizing their ability to stay in this building for decades.

4. The owner and her children enabled the Galeria to remain at the same space for 46 years, while literally every other small arts nonprofit was displaced by gentrification, by not significantly increasing their rent for decades. The rent that the Galeria paid was well under \$1/square feet. This is extremely low and unheard of in the rapidly gentrifying Mission. This owner immigrated to America from China. Her hard-working Chinese-American family worked in the Mission and has been an ally of the Latino community for four generations and they have already been quite charitable for many years.
5. The owner was not pushy when it came to paying rent on time. She was responsive to maintenance requests. The rents were cheap and affordable to the inhabitants of her building. The owner granted credit to her customers in times of need when she operated a butcher shop on 24th Street. She's a charitable woman who donated what she could to the poor and indigent.
6. The Galeria was not a stellar tenant. Their rent payments were late very often for months at a time and it was a major problem for the owner's daughter to collect from them. The owner was patient, kind, and willing to accept delayed rents. With such poor payment history, the owner refused to negotiate any long-term lease with the tenant who made unreasonable demands. Even with 100% rent hike, the proposed rent was still below market rate for spacious and valuable storefront in the 24th Street corridor. And the rent increase still barely covers the actual cost of maintaining that space.
7. It is not the owner's obligation to subsidize the Galeria's ability to stay in their space. The Galeria claimed their gross revenues have fallen and they have a deficit. The Galeria has been in a month-to-month rental agreement and knew that as part of this agreement that rent could increase at any moment. They failed to develop a plan for the future. It was not the obligation of the owner to bail them out. They had many years to find a long-term lease somewhere else or buy their own building. The Galeria wanted the property owner to pay an estimated million dollars' worth of ADA upgrades to the gallery and to maintain the same low "below-the-market" rents which they enjoyed and benefited for nearly five decades. The owner certainly does not have the money in the Galeria's rental income to make the space ADA compliant.
8. Although the Galeria announced that they would vacate the premises as of December 31, 2018, the Galeria has not returned possession of two spaces and keys to the owner. The Galeria has not paid a cent in rent and utilities since October 1, 2018 while continually using the property, SLANDERING, TAKING ADVANTAGE AND DEMONIZING the owner and her family.

The Galeria released the owner's residential address publicly, and protested loudly in front of her home for six hours on November 3, 2018 which caused tremendous stress and fear on an elderly frail bedridden lady. The intimidation and harassment tactics and stress compromised the owner's health and well-being. It seems that the use of bullying is how the Galeria achieve their goals. This has contributed to further decline in her health. We ask that they please leave her alone.

Now they are demanding to have FREE USE OF A BILLBOARD on the property -- this is far and beyond the agreement between a tenant and landlord.

9. Hilary Ronen pointed out that the building is part of the Calle 24 Special Use District. If Galeria is evicted, she said, the landlord will have to get permission from the City's Planning Commission before another business can move into the space. She said the landlord is going to have a hard time finding a new renter for this space. This appears retaliatory, unethical, and even illegal to punish a landlord for trying to get fair market value rents for her property.
10. Historic designation to the property will restrict the use and occupancy of the property as well as the owner's ability to maintain, repair, and alter the property. The restrictions will decrease the property value and discourage potential businesses that are not in the intended group or the intended purpose from renting the property. Restrictions requiring the owner to maintain inside open space is very unreasonable. Also, these restrictions limit the sales price for what the property can sell for and limit the number of potential number of buyers and their purpose. These restrictions limit the types of mortgage that an owner can grant as security for a loan.
11. If the property is left unrented and vacant, there would be no cash flow to the property to maintain the upkeep of the building. Unpeopled buildings can affect the atmosphere of a community. Vacant properties will give out the aura of an area deteriorating and this can lower local morale and discourage people from visiting the area. On top of this, the aesthetics of boarded up windows in a building can discourage new businesses from coming in. The vacancy of commercial properties is also associated with a reduction in people working or trading in the area. No revenue is generated for taxes, employment, if the owner is restricted to rent the property.

An abandoned building can generate and draw in crime. An empty boarded-up store is a perfect setting for a host of nefarious and illegal activity. It can encourage unwarranted vandalism or graffiti. Homeless people and drug addicts break into empty buildings and cause damage and destruction.

12. The Gallery cannot even prevent graffiti etched on the windows. If they could not prevent graffiti and vandalism to their billboards while they were tenants, they cannot be expected to maintain it when they are not tenants who can attend and maintain it. The building owner cannot afford to maintain a mural and guard it day and night. It will also be difficult to find an insurance company to insure this property after a fire or major damage to the building.





13. The Galeria permitted a mural on display that someone found upsetting. It was defaced several times and **someone set fire to the billboard endangering the lives of the occupants in the building and could have displaced families that had lived in the building for more than 20 years on June 29, 2015.**





The billboard murals if not attended by a responsible paying tenant, can attract gang graffiti, terrorism, vandalism, hate, and violent activity. Graffiti makes property values decrease and it impacts all members of society. The ugly and hurtful markings leave people in emotional distress especially if it is near their home or business. Business owners incur a loss in customers from the negative images that graffiti generates. **It must be removed to protect the public and the occupants living in the building.**

14. The building is not associated with any culturally significant structures. It looked about the same when the owner purchased it in 1963 for a family run meat market she managed. The storefront has changed little in the 56 years. The owner has no plans to change the store front.
15. The building looks like any other old building in an old neighborhood. There is nothing special about it to give it a historic landmark designation.
16. The Historic Landmark designation is counterintuitive to the property when the owner is restricted to its use and occupancy. The building and the billboard belong to the owner. She has the right to do whatever she wants with her property within the law. The Galeria, the former tenant has not paid rent since October 2018, and should not dictate this. Their demands are unreasonable and inequitable.
17. Gentrification is a reality, and this owner did what she could to help the Galeria stay in that space despite the challenges of a changing Mission District. However, it has long since been unsustainable to subsidize them as tenants. The owner attempted to maintain them as tenants with what is a reasonable increase for the area, however they did not accept it.

Daughters of Lily Ng, Owner
1338 Pacific Avenue
San Francisco, CA 94109

REUBEN, JUNIUS & ROSE, LLP

Justin A. Zucker
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March 20, 2019

Delivered Via Electronic Mail and Hand Delivery

(via desiree.smith@sfgov.org)

President Aaron Hyland and Commissioners
San Francisco Historical Preservation Commission
1650 Mission Street, Suite 400
San Francisco, California 94103

Re: 2851-2861 24th Street
Planning Case No.: 2018-017223DES
Hearing Date: April 3, 2019
Our File No.: 8559.03

Dear President Hyland and Commissioners:

This office represents the family trust that owns the property at 2851-2861 24th Street (“**Owner**”), which is the subject of a proposed landmark designation. The Owner respects and generally approves of the City’s landmark designation efforts to preserve historically relevant properties. If the proposed landmark designation of 2851-2861 24th Street (the “**Property**”) is implemented without some modification of the current proposal, however, the Owner will be restricted from making modifications to the two (2) interior spaces of Property for future tenants.

Simply put she will not be able to find a new tenants to lease the spaces. In turn, the Property will likely remain vacant to the detriment of all.

The Property was leased by Galeria de la Raza from 1972 till the end of 2018. On January 16, 2019, this Commission initiated landmark designation of the Property. The initiation was based in part on the January 16, 2019, Landmark Designation Case Report and Article 10 Landmark Fact Designation Sheet (“**Designation Sheet**”).

The Designation Sheet asserts there are both exterior and interior features of the Property that are character-defining features. It alleges there are thirteen (13) exterior character-defining features for 2851 24th Street, including the “Sign measuring 10’ x 24’ on the Bryant Street façade, historically used by Galeria de la Raza” (the “**Sign/Mural**”). Another sixteen (16) exterior character-defining features area alleged for 2857-2861 24th Street. In addition, the Designation

Sheet alleges two (2) interior character-defining features for both spaces including: (i) the volume of open interior storefront spaces and (ii) raised window display areas of both storefronts.

The Owner recognizes the impact Galeria de la Raza has had to the LatinX community and San Francisco, specifically including the Calle 24 and Mission Districts. She appreciates their desire for continued use of the Sign/Mural space on the Property. And has been engaged in discussions with Galeria de la Raza to come to a mutual agreement for their continued use of the Sign/Mural.

The landmark designation as proposed, however, will require preservation of all the claimed interior character-defining features. But they are neither directly related to the architecture of the building nor Galeria de la Raza's movement or identity such as the Sign/Mural. Limiting interior changes or tenant improvements to accommodate future lessees will prevent the ability to find new tenants. And it, unfortunately, will sit vacate.

Retail Legislation

On March 5, 2019, the San Francisco Board of Supervisors unanimously passed Ordinance No. 181213, amending the Building Code to require vacant or abandoned commercial storefront owners to pay annual registration fees at the time of registration, require annual inspections of registered vacant or abandoned storefronts, and update the penalty for violations of the requirement to register vacant or abandoned commercial storefronts. The amended ordinance's regulations apply notwithstanding if the Property is actively being offered for sale, lease, or rent.

Further, this past January Supervisor Aaron Peskin announced plans to place a vacancy tax on the November ballot for both residential and commercial properties as part of a citywide plan to address empty storefronts. The proposed ballot measure would impose hefty daily penalties of \$250 a day.¹

The retail environment in San Francisco, and in other areas of the country, is going through challenging times. On December 10, 2018, Mayor London Breed and Supervisor Vallie Brown announced a Citywide Storefront Vacancy Strategy to retain, strengthen, and attract businesses to commercial corridors throughout San Francisco.² Crippling the ability to make changes and tenant improvements to the interior spaces of the storefronts for future tenants appears to be contrary to the City's efforts to address retail vacancies.

Mills Act

The Mills Act is a state-sponsored legislation that grants local governments the ability to give qualified owners a property tax reduction to use the savings to offset the costs to rehabilitate and maintain the property. In this case, however, no benefits would result to the Owner who has

¹ <http://www.sfexaminer.com/tax-vacant-housing-storefronts-proposed-november-ballot/>, last visited March 14, 2019.

² <https://sfmayor.org/article/mayor-london-breed-and-supervisor-vallie-brown-announce-citywide-storefront-vacancy-strategy>, last visited March 14, 2019.

owned the property since the 1960s. San Francisco Planning Historic Preservation Bulletin No. 8 states “Property purchased prior to 1978 (Proposition 13) is unlikely to receive a tax reduction.”³

Conclusion

The landmark designation as currently proposed will prevent the ability to find new tenants for the Property. We do not see how a designation including the interior spaces of the Property can at the same time adequately allow for the needs of future tenants. We urge the Commission to remove the interior elements of the designation.

Very truly yours,

REUBEN, JUNIUS & ROSE, LLP



Justin A. Zucker

cc: Diane Matsuda, Vice President
Kate Black, Commissioner
Ellen Johnck, Commissioner
Richard S.E. Johns, Commissioner
Jonathan Pearlman, Commissioner
Andrew Wolfram, Commissioner
Jonas P. Ionin, Director of Commission Affairs
Andrew J. Junius, Reuben, Junius, and Rose, LLP (*via e-mail only*)
Lily Ng Revocable Trust dated July 12, 2017
Steven A. MacDonald

³ Preservation Bulletin No. 8 The Mills Act Program, available at:
http://default.sfplanning.org/Preservation/bulletins/HistPres_Bulletin_08.PDF, last visited March 19, 2019.