

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
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MEMORANDUM

TO: John Rahaim, Director, Planning Department
Jonas Ionin, Commission Secretary, Historic Preservation Commission
Carmen Chu, Assessor-Recorder

FROM: John Carroll, Assistant Clerk, Government Audit and Oversight
Committee, Board of Supervisors

DATE: September 10, 2018

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Government Audit and Oversight Committee has received the following proposed legislation, introduced by Supervisor Peskin on September 4, 2018:

File No. 180871

Resolution regarding non-renewal of a Mills Act historical property contract with Raintree 973 Market Newco LLC, the owner of 973 Market Street (Assessor's Parcel Block No. 3704, Lot No. 069), under Chapter 71 of the San Francisco Administrative Code; notifying the Assessor-Recorder's Office of such non-renewal; and authorizing the Planning Director to send notice of the non-renewal of the historical property contract to the owner.

If you have any comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: Scott Sanchez, Planning Department
Lisa Gibson, Planning Department
Devyani Jain, Planning Department
AnMarie Rodgers, Planning Department
Tim Frye, Planning Department
Joy Navarrete, Planning Department
Georgia Powell, Planning Department
Andrea Ruiz-Esquide, Deputy City Attorney
Nicole Agbayani, Office of the Assessor-Recorder

1 [Non-Renewal of a Mills Act Historical Property Contract - 973 Market Street]

2
3 **Resolution regarding non-renewal of a Mills Act historical property contract with**
4 **Raintree 973 Market Newco LLC, the owner of 973 Market Street (Assessor's Parcel**
5 **Block No. 3704, Lot No. 069), under Chapter 71 of the San Francisco Administrative**
6 **Code; notifying the Assessor-Recorder's Office of such non-renewal; and authorizing**
7 **the Planning Director to send notice of the non-renewal of the historical property**
8 **contract to the owner.**

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

15 WHEREAS, Chapter 71 of the Administrative Code was adopted to implement the Mills
16 Act in San Francisco and to preserve these historic buildings; and

17 WHEREAS, Under the Mills Act and Chapter 71, a year is added automatically to the
18 initial term of the contract at the anniversary date of the contract, unless notice of non-renewal
19 is given as provided as prescribed in the Act; and

20 WHEREAS, A Mills Act application for an historical property contract was submitted by
21 Raintree 973 Market Newco LLC, the owner of 973 Market Street (Assessor's Block No. 3704,
22 Lot No. 069), detailing rehabilitation work and proposing a maintenance plan for the property;
23 and

24 WHEREAS, At a public hearing on December 12, 2017, in Resolution No. 454-17, and
25 after reviewing the Historic Preservation Commission's recommendation and the information

1 provided by the Assessor's Office, the Board of Supervisors approved the historical property
2 contract between Raintree 973 Market Newco LLC, the owner of 973 Market Street, and the
3 City and County of San Francisco; and

4 WHEREAS, When it considered the approval of the historical property contract, the
5 Board of Supervisors balanced the benefits of the Mills Act to the owner of 973 Market Street
6 with the cost to the City of providing the property tax reductions authorized by the Mills Act, as
7 well as the historical value of 973 Market Street and the resultant property tax reductions, and
8 determined that it was in the public interest to enter into a historical property contract with the
9 applicants;

10 WHEREAS, At the time, the Board of Supervisors also expressed interest in the
11 historical property contract for 973 Market Street having a term of ten years, no more, in order
12 to better achieve such balance between the benefits of the Mills Act and the costs to the City;
13 and

14 WHEREAS, The historical property contract for 973 Market Street was recorded at the
15 Assessor Recorder Office on April 13, 2018, and therefore under the contract, that is the
16 anniversary date of the contract;

17 WHEREAS, The Planning Department has determined that the actions contemplated in
18 this Resolution comply with the California Environmental Quality Act (California Public
19 Resources Code, Sections 21000 et seq.); said determination is on file with the Clerk of the
20 Board of Supervisors in File No. ____, is incorporated herein by reference, and the Board
21 herein affirms it; and now, therefore, be it

22 RESOLVED, That the Board of Supervisors hereby decides not to renew the historical
23 property contract for 973 Market Street (Assessor's Block No. 3704, Lot No. 069); and, be it
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FURTHER RESOLVED, That the Board of Supervisors hereby notifies the Assessor Recorder of the non-renewal of the historical property contract for 973 Market Street; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the Planning Director to send notice to the owner of the historical property contract for 973 Market Street, informing the owner of the non-renewal of the contract at least 90 days prior to the anniversary date.

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Introduction Form

By a Member of the Board of Supervisors or Mayor

RECEIVED
 BOARD OF SUPERVISORS
 SAN FRANCISCO
 2018 SEP 14 4:56
 Time stamp or meeting date
 BY _____

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning : "Supervisor [] inquiries"
- 5. City Attorney Request.
- 6. Call File No. [] from Committee.
- 7. Budget Analyst request (attached written motion).
- 8. Substitute Legislation File No. []
- 9. Reactivate File No. []
- 10. Topic submitted for Mayoral Appearance before the BOS on []

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission
- Youth Commission
- Ethics Commission
- Planning Commission
- Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.

Sponsor(s):

Supervisor Peskin

Subject:

[Non-Renewal of a Mills Act Historical Property Contract - 973 Market Street]

The text is listed:

Resolution under Chapter 71 of the San Francisco Administrative Code, regarding non-renewal of a Mills Act historical property contract with Raintree 973 Market Newco LLC, the owner of 973 Market Street (Assessor's Block No. 3704, Lot No. 069); notifying the Assessor Recorder's Office of such non-renewal; and authorizing the Planning Director to send notice of the non-renewal of the historical property contract to the owner.

Signature of Sponsoring Supervisor: [Signature]

For Clerk's Use Only

180871