File No. 130623 Committee Item No. 3
Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee **Date:** 07/24/2013

Board of Supervisors Meeting **Date:** _____

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OTHER **(Use back side if additional space is needed)**

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Completed by: Victor Young **Date** July 19, 2013
Completed by: Victor Young **Date** _____

[Historical Property Contract - Jason H. Stein and Howard Stein - 201 Buchanan Street]

Resolution approving an historical property contract between Jason H. Stein and Howard Stein, the owners of 201 Buchanan Street, and the City and County of San Francisco; under Administrative Code, Chapter 71, and authorizing the Planning Director and the Assessor to execute the historical property contract.

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

WHEREAS, San Francisco contains many historic buildings that add to its character and international reputation and that have not been adequately maintained, may be structurally deficient, or may need rehabilitation, and the costs of properly rehabilitating, restoring, and preserving these historic buildings may be prohibitive for property owners; and,

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

WHEREAS, 201 Buchanan Street ("Nightingale House") is Landmark No. 47 under Article 10 of the Planning Code and thus qualifies as an historical property as defined in Administrative Code Section 71.2; and

WHEREAS, A Mills Act application for an historical property contract has been submitted by Jason H. Stein and Howard Stein, the owners of 201 Buchanan Street, detailing completed rehabilitation work and proposing a maintenance plan for the property; and

WHEREAS, As required by Administrative Code Section 71.4(a), the application for the historical property contract for 201 Buchanan Street was reviewed by the Assessor's Office and the Historic Preservation Commission; and

WHEREAS, The Assessor has reviewed the historical property contract and has provided the Board of Supervisors with an estimate of the property tax calculations and the difference in property tax assessments under the different valuation methods permitted by the Mills Act in its report transmitted to the Board of Supervisors on June 5, 2013, which report is on file with the Clerk of the Board of Supervisors in File No. 130623 and is hereby declared to be a part of this motion as if set forth fully herein; and,

WHEREAS, The Historic Preservation Commission recommended approval of the historical property contract in its Resolution No. 0701, which Resolution is on file with the Clerk of the Board of Supervisors in File No 130623 and is hereby declared to be a part of this resolution as if set forth fully herein; and,

WHEREAS, The draft historical property contract between Jason H. Stein and Howard Stein, the owners of 201 Buchanan Street ("Nightingale House"), and the City and County of San Francisco is on file with the Clerk of the Board of Supervisors in File No. 130623 and is hereby declared to be a part of this resolution as if set forth fully herein; and,

WHEREAS, The Board of Supervisors has conducted a public hearing pursuant to Administrative Code Section 71.4(d) to review the Historic Preservation Commission's recommendation and the information provided by the Assessor's Office in order to determine whether the City should execute the historical property contract for 201 Buchanan Street; and

WHEREAS, The Board of Supervisors has balanced the benefits of the Mills Act to the owner of 201 Buchanan Street with the cost to the City of providing the property tax reductions authorized by the Mills Act, as well as the historical value of 201 Buchanan Street and the resultant property tax reductions; now, therefore, be it

RESOLVED, That the Board of Supervisors hereby approves the historical property contract between Jason H. Stein and Howard Stein, the owners of 201 Buchanan Street ("Nightingale House"), and the City and County of San Francisco; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the Planning Director and the Assessor to execute the historical property contract, and, be it

FURTHER RESOLVED, That within thirty (30) days of the contract being fully executed by all parties, the Director of Planning shall provide the final contract to the Clerk of the Board for inclusion into the official file (File No. 130623).

Office of the Assessor-Recorder
San Fancisco County
"Mills Act" Property Valuation

APN: 0858-002 **SF Landmark #:**

Type of Property: Two Family Residential **Year**

Property Location: 201 Buchanan Street

Applicant's Name: Howard Stein **Phone:**

Event Date: 1/1/2013

Restricted Value		2013 Factored Base Year Value		1/1/13 Fair Market Value	
Land	$616,200	Land	**$1,118,362**	Land	$1,200,000
Improvements	$410,800	Improvements	**$520,098**	Improvements	$800,000
Total	**$1,027,000**	Total	**$1,638,460**	Total	**$2,000,000**

Property Description

Land Area	4500	Present Use	SFR	Zoning	RH-3
Year Built	1878	Imp. Area (NRA)	3224	Stories	2 plus attic
Neightborhood	Hayes Valley	Quality and Class:	Average		

Issues: Historic Property - Mills Act valuation as of lien date, 1/1/13

Contents of Attached Valuation:

P1. Cover Sheet P2. Property Info P3.Restricted Valuation
P4. Market Sales Analysis

Conclusions and Recommendation:

Based on a three-way comparison of value, the lowest of the three values is the restricted value. Therefore, we recommended a reduction to $1.027M for the 1/1/13 year

Timothy Landregan — **Appraiser**

6/5/2013 — **Date**

Matt Thomas — **Principal Appraiser**

Property Information

Identification

APN	0858-002
Address	201 Buchanan St (@ Waller Street) - Hayes Valley
Current Owner	Howard Stein

Assessment History

Sale Date	7/2/2010
Sale Price	$1,535,625
Prior Sale Date	9/26/2007
Prior Sale Price	$1,605,000
2013 Factored Base Year Val	$1,638,460

Property Description

Type of Property		Single Family - Dwelling, with legal apartment on lower level
NRA		3224
Layout:		
	Dwelling	3 bedrooms / 2 bathroom
	Apartment	1 bedroom / 1 bathroom
Land Area		4500
Year Built		1878
Zoning		RH-3

Use Currently vacant pending completion of rehabilitation and maintenance

Income Approach
0858-002
201 Buchanan Street
Mills Act

Potential Gross Income	
3/2 dwelling, 2,140 SF incl attic and artists studio ($6250/mo,or $35/foot/yr)	$75,000
LL 1/1 apartment, approx 1,080 SF ($3600/mo, or $40/foot/year)	$43,200
Total Annual PGI	**$118,200**
Vacancy and Collection Losses	$115,836
Estimated at 2% of gross income, based on market averages	
Effective Gross Income	$115,836
Operating Expenses	($17,375)
Estimated at 15% of EGI, includes insurance, CAM, LL provided utilities, repairs, management and advertising expenses	
Net Operating Income	**$98,461**

Restricted Capitalization Rate Components:

2012 interest rate per SBE	3.75%	Land and Imps
Risk Factor	4.00%	Land and Imps
Property Tax Rate (2012)	1.17%	Land and Imps
Amortization (1/60)	1.67%	Imps Only

Land	8.92%
Imps	10.59%

Weighted Capitalization Rate (55/45 land/imps split)

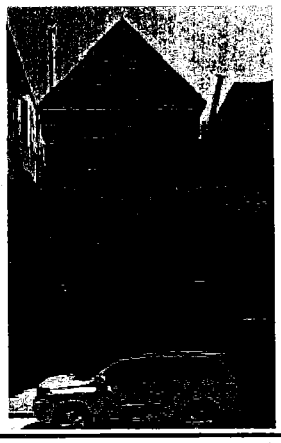
Land	8.92%	x	60.00%	5.35%
Imps	10.59%	x	40.00%	4.24%
				9.59%

Valuation based on the Income Approach (Mills Act) **$1,027,011**

Taxable Value - Three Way Comparison	
1 - Restricted Value	**$1,027,011**
2 - Factored Base Year Value	**$1,638,460**
3 - Market Value	**$2,000,000**

Notes: rental comps indicated a value of $42 to $47 per foot per year. All are in equal or better condition than subject; all are smaller in total size versus subject's main unit. Used lower total annual rent of $35/foot to account for increased square footage and inadequate kitchen. Used $40/foot, low end of comp range for lower level 1 bedroom apartment to account for fair condition.

SINGLE FAMILY RESIDENCE MARKET ANALYSIS



	Subject	Sale 1		Sale 2		Sale 3	
APN	**0858-002**	**1176-011**		**0651-027**		**1226-033**	
Address	**201 Buchanan St**	**1640 Fulton**		**2016 Buchanan**		**1915 Oak Street**	
Sales Price		**$1,249,000**		**$2,412,500**		**$1,700,000**	
	Description	Description	Adjust.	Description	Adjust.	Description	Adjust.
Lien Date / Sale Date	01/01/13	10/31/12		03/08/13		03/27/12	$85,000
Location	Hayes Valley	North Panhandle		Lower Pac Heights (-10%)	($241,250)	Haight Ashbury (-10%)	($170,000)
Lot Size	4,500	3,437	$42,520	2,173	$93,080	2,500	$80,000
Year Blt/Year Renovated	1900	1900		1900		1900	
View	panoramic	None (+20%)	$249,800	unknown		none (+20%)	$340,000
Lot type	corner/partial detached	Urban row/attached (+5%)	$62,450	mid block/partial detached (+2.5%)	$60,313	urban row/attached (+5%)	$85,000
Condition	Fair/Original (renovation underway) - $55,000 in work in progress spent by TO as of 1/1/13	Original/Fair (Needs Work)	$55,000	Good/remodeled in 2009 (basement finish)	($350,000)	Original/Fair	$55,000
Gross Living Area	3,224	3,437	($63,900)	2,600	$124,800	2,920	$60,800
Total Rooms	10	13		8		8	
Bedrooms	5	4		4		4	
Full Baths/Half Baths	3	2	$20,000	3	$0	2	$20,000
Garage	No Parking	2 car garage	($60,000)	3 car garage	($90,000)	2 car Garage	($60,000)
Finished basement incl in GLA	1080			finished bonus rooms			
Other Amenities							
Net Adjustments			$305,870		($403,058)		$495,800
Indicated Value	**$2,000,000**		**$1,554,870**		**$2,009,443**		**$2,195,800**
Adjust. $ Per Sq. Ft.	$620		$482		$623		$681

VALUE RANGE: **$620 - $680/foot** **VALUE CONCLUSION:** **$620/foot - F.M.V.**

REMARKS:

MARKET VALUE (1/1/13)

LAND	**1,200,000**
IMPROVEMENTS	**800,000**
TOTAL	**2,000,000**

ASSESSED VALUE (1/1/13)

LAND	**1,118,362**
IMPROVEMENTS	**520,098**
TOTAL	**1,638,460**

Appraiser Timothy Landregan

SAN FRANCISCO
PLANNING DEPARTMENT

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May 10, 2013

Ms. Angela Calvillo, Clerk
Board of Supervisors
City and County of San Francisco
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Re: **Transmittal of Planning Department Case Number 2011.0310U:**
Mills Act Historical Property Contract Application
201 Buchanan Street (a.k.a. Nightingale House), Landmark No. 47

BOS File No: _____ (pending)

Historic Preservation Commission Recommendation: *Approval*

Dear Ms. Calvillo,

On January 16, 2013 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 January 16, 2013 hearing, the Historic Preservation Commission voted to *approve the proposed Resolution*.

The Resolution recommends that the Board of Supervisors approve the Mills Act Historical Property Contract, rehabilitation program and maintenance plan for the property at 201 Buchanan Street (a.k.a. Nightingale House), City Landmark No. 47.

Please note that the Project Sponsor submitted the Mills Act application in July 8, 2011. The application submittal coincided with City efforts to amend the Mills Act Program to make the application process quicker, cheaper, and more predictable. Therefore, the Department placed the application on hold so that the pending legislation could be finalized before the new contract was reviewed. The amended legislation, sponsored by Supervisor Scott Wiener, became effective in October 2012, and the Department resumed processing the application at that time. Meanwhile, the Project Sponsor secured a Certificate of Appropriateness (HPC Motion No. 0117) for the rehabilitation work and commenced work to forestall any further deterioration of the building. The following components of the rehabilitation program have been completed over the past two years:

- Replacement of the non-historic asphalt shingle roofing;
- In-kind replacement of two chimneys and removal of one deteriorated, non-functional chimney at the rear of the building;
- Selective repair and in-kind replacement of deteriorated window sashes with African mahogany sashes; (90% complete on main floor)
- In-kind replacement of all redwood gutters and copper downspouts; and,

- Recreation of missing balconies, closely matching the forms shown in the historic photographs; (50% complete)

The following qualifying Mills Act Contract components are scheduled for completion over the next ten years. Please see the schedule in Exhibit A for the expected timeframes for completion:

- Installation of a surface membrane and flashing above the non-historic porch decking;
- Selective repair and in-kind replacement of exterior millwork; (tower completed)
- Off-site restoration of the period steel and iron fencing and reinstallation above the concrete retaining wall;
- Recreation of the jib doors that opened from the parlors to the missing balconies based upon building evidence; and,
- Recreation of the missing gable tip finials and ridge crest, closely matching the forms shown in the historic photographs.

As detailed in the Mills Act application, the Project Sponsor has committed to a maintenance plan that will include both annual and cyclical 15-year inspections. 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.

Finally, please also note that San Francisco Architectural Heritage has held a preservation easement for the Nightingale since 1974. This was the first easement accepted into Heritage's program. Since that time, Heritage has received donations of over 60 permanent preservation easements, creating one of the largest preservation easement programs in the West. Heritage is the only local organization in San Francisco with a program to receive, administer, and enforce preservation easements.

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,

AnMarie Rodgers
Manager of Legislative Affairs

cc: Supervisor London Breed

Attachments:

Historic Preservation Commission Resolution No. 0701
Mills Act Contract Case Report, dated January 16, 2013, including the following:
Draft Mills Act Historical Property Contract
Contract Exhibit A: Approved Rehabilitation Program
Contract Exhibit B: Proposed Maintenance Plan.
Market Analysis and Income Approach provided by the Assessor's Office
Mills Act Application

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Historic Preservation Commission
Resolution No. 0701
HEARING DATE JANUARY 16, 2013

Filing Date:	July 8, 2011
Case No.:	**2011.0310U**
Project Address:	**201 Buchanan Street**
Zoning:	RTO (Residential Transit-Oriented) 40-X Height and Bulk District
Block/Lot:	0858/002
Applicant:	Jason H. Stein 201 Buchanan Street San Francisco, CA 94102
Staff Contact	Shelley Caltagirone – (415) 558-6625 shelley.caltagirone@sfgov.org
Reviewed By	Tim Frye – (415) 575-6822 tim.frye@sfgov.org

ADOPTING FINDINGS RECOMMENDING TO THE BOARD OF SUPERVISORS APPROVAL OF THE MILLS ACT HISTORICAL PROPERTY CONTRACT, REHABILITATION PROGRAM, AND MAINTENANCE PLAN FOR 201 BUCHANAN STREET.

WHEREAS, in accordance with Article 1.9 (commencing with Section 439) of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code, the City and County of San Francisco may provide certain property tax reductions, such as the Mills Act; and

WHEREAS, the Mills Act authorizes local governments to enter into contracts with owners of private historical property who assure the rehabilitation, restoration, preservation and maintenance of a qualified historical property; and

WHEREAS, Ordinance No. 191-96 amended the San Francisco Administrative Code by adding Chapter 71 to implement California Mills Act, California Government Code Sections 50280 *et seq.*; and

WHEREAS, the existing building located at 201 Buchanan Street, historically known as the Nightingale House, is City Landmark #47 pursuant to San Francisco Planning Code Article 10, and thus qualifies as a historic property; and

WHEREAS, the Planning Department has reviewed the Mills Act application, historical property contract, rehabilitation program, and maintenance plan for 201 Buchanan Street, which are located in Case Docket No. 2011.0310U. The Planning Department recommends approval of the Mills Act historical property contract, rehabilitation program, and maintenance plan; and

WHEREAS, the Historic Preservation Commission (HPC) recognizes the historic building at 201 Buchanan Street as an historical resource and believes the rehabilitation program and maintenance plan are appropriate for the property; and

WHEREAS, at a duly noticed public hearing held on January 16, 2013, the Historic Preservation Commission reviewed documents, correspondence and heard oral testimony on the Mills Act application, historical property contract, rehabilitation program, and maintenance plan for 201 Buchanan Street, which are located in Case Docket No. 2011.0310U. The Historic Preservation Commission recommends approval of the Mills Act historical property contract, rehabilitation program, and maintenance plan.

THEREFORE BE IT RESOLVED that the **Historic Preservation Commission hereby recommends** that the Board of Supervisors approve the Mills Act historical property contract, rehabilitation program, and maintenance plan for the historic building located at 201 Buchanan Street.

BE IT FURTHER RESOLVED that the **Historic Preservation Commission hereby directs** its Commission Secretary to transmit this Resolution, the Mills Act historical property contract, rehabilitation program, and maintenance plan for 201 Buchanan Street, and other pertinent materials in the case file 2011.0310U to the Board of Supervisors.

I hereby certify that the foregoing Resolution was ADOPTED by the Historic Preservation Commission on January 16, 2013.

Jonas P. Ionin

Acting Commission Secretary

AYES: Damkroger, Johns, Hasz, Martinez, Matsuda, and Wolfram

NOES: None

ABSENT: None

ADOPTED: January 16, 2013

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Mills Act Contract Case Report

Hearing Date:	2011
Filing Date:	July 8, 2011
Case No.:	**2011.0310U**
Project Address:	**201 Buchanan Street**
Zoning:	RTO (Residential Transit-Oriented) 40-X Height and Bulk District
Block/Lot:	0858/002
Applicant:	Jason H. Stein 201 Buchanan Street San Francisco, CA 94102
Staff Contact	Shelley Caltagirone – (415) 558-6625 shelley.caltagirone@sfgov.org
Reviewed By	Tim Frye – (415) 575-6822 tim.frye@sfgov.org

PROPERTY DESCRIPTION

The subject property is located on the west side of Buchanan Street between Laussat and Waller Streets. Assessor's Block 0858, Lot 002. It is located in a RTO (Residential Transit-Oriented) Zoning District and a 40-X Height and Bulk District. The property was designated as Landmark No. 47 in 1972. It is also listed on the California Register, the Here Today survey, and the Planning Department 1976 Architectural Survey. The one-story-over-basement-with-attic, two-family, Eastlake-style residence was built in 1882 by John Nightingale, Sr. The architect of the building is unknown. According to the designation report, Nightingale was one of the chief builders of the neighborhood and this house represents all that remains of his extensive holdings in the area. Nightingale was a real estate dealer and manager of property, a Forty-Niner, and President of the Society of California Pioneers, an early San Francisco Alderman and one of the Trustees of the James Lick Estate. The house is designated as a masterpiece of the Eastlake Style which also incorporates elements of the Carpenter Gothic, Second Empire and late Italian Villa Styles. The basic architectural elements are the oblong ground plan, prominent carved gables, strongly projecting eaves, a square Mansard-roofed central tower, a steeply-pitched roof, and projecting bays, both square and slanting.

PROJECT DESCRIPTION

This project is a Mills Act Historical Property Contract application.

MILLS ACT REVIEW PROCESS

Once a Mills Act application is received, the matter is referred to the Historic Preservation Commission (HPC) for review and recommendation on the historical property contract, proposed rehabilitation program, and proposed maintenance plan. The Historic Preservation Commission shall conduct a public hearing on the Mills Act application and contract and make a recommendation for approval or disapproval to the Board of Supervisors.

The Board of Supervisors will hold a public hearing to review and approve or disapprove the Mills Act application and contract. The Board of Supervisors shall conduct a public hearing to review the Historic Preservation Commission recommendation, information provided by the Assessor's Office, and any other information the Board requires in order to determine whether the City should execute a historical property contract for the subject property.

The Board of Supervisors shall have full discretion to determine whether it is in the public interest to enter into a Mills Act contract and may approve, disapprove, or modify and approve the terms of the contract. Upon approval, the Board of Supervisors shall authorize the Director of Planning and the Assessor's Office to execute the historical property contract.

MILLS ACT REVIEW PROCEDURES

The Historic Preservation Commission is requested to review and make recommendation on the following:

- The draft Mills Act historical property contract between the property owner and the City and County of San Francisco.
- The proposed rehabilitation program and maintenance plan.

The Historic Preservation Commission may also comment in making a determination as to whether the public benefit gained through restoration, continued maintenance, and preservation of the property is sufficient to outweigh the subsequent loss of property taxes to the City.

APPLICABLE PRESERVATION STANDARDS

Ordinance No. 191-96 amended the San Francisco Administrative Code by adding Chapter 71 to implement the California Mills Act, California Government Code Sections 50280 *et seq.* The Mills Act authorizes local governments to enter into contracts with private property owners who will rehabilitate, restore, preserve, and maintain a "qualified historical property." In return, the property owner enjoys a reduction in property taxes for a given period. The property tax reductions must be made in accordance with Article 1.9 (commencing with Section 439) of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code.

Mills Act contracts must be made for a minimum term of ten years. The ten-year period is automatically renewed by one year annually to create a rolling ten-year term. One year is added automatically to the initial term of the contract on the anniversary date of the contract, unless notice of nonrenewal is given or the contract is terminated. If the City issues a notice of nonrenewal, then one year will no longer be added to the term of the contract on its anniversary date and the contract will only remain in effect for the remainder of its term. The City must monitor the provisions of the contract until its expiration and may terminate the Mills Act contract at any time if it determines that the owner is not complying with the terms of the contract or the legislation. Termination due to default immediately ends the contract term. Mills Act contracts remain in force when a property is sold.

San Francisco Administrative Code Chapter 71, Section 71.2, defines a "qualified historic property" as one that is not exempt from property taxation and that is one of the following:

(a) Individually listed in the National Register of Historic Places;
(b) Listed as a contributor to an historic district included on the National Register of Historic Places;

(c) Designated as a City landmark pursuant to San Francisco Planning Code Article 10;
(d) Designated as contributory to an historic district designated pursuant to San Francisco Planning Code Article 10; or
(e) Designated as significant (Categories I or II) or contributory (Categories III or IV) to a conservation district designated pursuant to San Francisco Planning Code Article 11.

All properties that are eligible under the criteria listed above must also meet a tax assessment value to be eligible for a Mills Act Contract. The tax assessment limits are listed below:

Residential Buildings
Eligibility is limited to a property tax assessment value of not more than $3,000,000.

Commercial, Industrial or Mixed Use Buildings
Eligibility is limited to a property tax assessment value of not more than $5,000,000.

Properties may be exempt from the tax assessment values if it meets any one of the following criteria:

- The qualified historic property is an exceptional example of architectural style or represents a work of a master architect or is associated with the lives of persons important to local or national history; or
- Granting the exemption will assist in the preservation and rehabilitation of a historic structure (including unusual and/or excessive maintenance requirements) that would otherwise be in danger of demolition, deterioration, or abandonment; and
- Granting the exemption will not cause the cumulative loss of property tax revenue to the City to exceed $1,000,000 annually.

Properties applying for a valuation exemption must provide evidence that it meets the exemption criteria, including a historic structure report to substantiate the exceptional circumstances for granting the exemption. The Historic Preservation Commission shall make specific findings as whether to recommend to the Board of Supervisors if the valuation exemption shall be approved. Final approval of this exemption is under the purview of the Board of Supervisors.

PUBLIC/NEIGHBORHOOD INPUT

The Department has not received any public comment regarding the Mills Act Property Contract.

STAFF ANAYLSIS

As detailed in the Mills Act application, the Project Sponsor proposes to continue rehabilitation efforts approved under Certificate of Appropriateness in April 2011 (Motion No. 0117). Staff determined that the proposed work, detailed in the attached staff report, is consistent with Secretary of Interior's Standards for Rehabilitation and for Restoration.

The Project Sponsor, Planning Department Staff, and the Office of the City Attorney have negotiated the attached draft historical property contract, which includes a draft maintenance plan for the historic building. Department staff believes that the draft historical property contract and maintenance plan are adequate. The previously approved rehabilitation program involves restoration of the exterior of the Nightingale House, including repairs, in-kind replacement of historic elements, and limited recreation of missing historic details. No changes to the use or configuration of the building are proposed. Please refer to the attached Rehabilitation Program for a full description of the proposed work.

The maintenance plan involves a cycle of annual inspections and maintenance and a longer-term maintenance cycle to be performed as necessary (estimated annual cost in current dollars, $3,500). The maintenance plan addresses care of the wood sheathing, millwork and ornamentation; sheet metal; glazing; doors; roof; gutters, downspouts, and drainage; and, the exposed foundation. The attached draft historical property contract will help the Project Sponsor mitigate these expenditures and will induce the Project Sponsor to maintain the property in excellent condition in the future.

Finally, the subject property is currently valued by the Assessor's Office as under $3,000,000 (see attached Market Analysis and Income Approach reports). Therefore, the 201 Buchanan Street Mill's Act application requires no exemption from the valuation rule for residential properties.

PLANNING DEPARTMENT RECOMMENDATION

The Planning Department recommends that the Historic Preservation Commission adopt a resolution recommending approval of the Mills Act historical property contract and maintenance plan for 201 Buchanan Street.

HISTORIC PRESERVATION COMMISSION ACTIONS

Review and adopt a resolution:

1. Recommending to the Board of Supervisors the approval of the proposed Mills Act historical property contract between the property owner and the City and County of San Francisco;
2. Approving the proposed Mills Act maintenance plan for 201 Buchanan Street, and delegating review of the work to the Planning Department preservation staff for administrative Certificate of Appropriateness approval as per HPC Motion No. 0181. The maintenance work delegated to staff for review and administrative approval includes; repairing or replacing millwork; repairing sheet metal features; glazing windows; repairing or replacing door hardware; repairing or replacing roof materials; repairing or replacing gutters, downspouts, and drainage; and, repairing the foundation.

Attachments:

Draft Resolution
Draft Mills Act Historical Property Contract
Contract Exhibit A: Approved Rehabilitation Program
Contract Exhibit B: Proposed Maintenance Plan.
Market Analysis and Income Approach provided by the Assessor's Office
Mills Act Application

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Historic Preservation Commission
Draft Resolution
HEARING DATE JANUARY 16, 2013

Hearing Date:	2011
Filing Date:	July 8, 2011
Case No.:	**2011.0310U**
Project Address:	**201 Buchanan Street**
Zoning:	RTO (Residential Transit-Oriented) 40-X Height and Bulk District
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Staff Contact	Shelley Caltagirone – (415) 558-6625 shelley.caltagirone@sfgov.org
Reviewed By	Tim Frye – (415) 575-6822 tim.frye@sfgov.org

ADOPTING FINDINGS RECOMMENDING TO THE BOARD OF SUPERVISORS APPROVAL OF THE MILLS ACT HISTORICAL PROPERTY CONTRACT, REHABILITATION PROGRAM, AND MAINTENANCE PLAN FOR 201 BUCHANAN STREET.

WHEREAS, in accordance with Article 1.9 (commencing with Section 439) of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code, the City and County of San Francisco may provide certain property tax reductions, such as the Mills Act; and

WHEREAS, the Mills Act authorizes local governments to enter into contracts with owners of private historical property who assure the rehabilitation, restoration, preservation and maintenance of a qualified historical property; and

WHEREAS, Ordinance No. 191-96 amended the San Francisco Administrative Code by adding Chapter 71 to implement California Mills Act, California Government Code Sections 50280 *et seq.*; and

WHEREAS, the existing building located at 201 Buchanan Street, historically known as the Nightingale House, is City Landmark #47 pursuant to San Francisco Planning Code Article 10, and thus qualifies as a historic property; and

WHEREAS, the Planning Department has reviewed the Mills Act application, historical property contract, rehabilitation program, and maintenance plan for 201 Buchanan Street, which are located in

Case Docket No. 2011.0310U. The Planning Department recommends approval of the Mills Act historical property contract, rehabilitation program, and maintenance plan; and

WHEREAS, the Historic Preservation Commission (HPC) recognizes the historic building at 201 Buchanan Street as an historical resource and believes the rehabilitation program and maintenance plan are appropriate for the property; and

WHEREAS, at a duly noticed public hearing held on January 16, 2013, the Historic Preservation Commission reviewed documents, correspondence and heard oral testimony on the Mills Act application, historical property contract, rehabilitation program, and maintenance plan for 201 Buchanan Street, which are located in Case Docket No. 2011.0310U. The Historic Preservation Commission recommends approval of the Mills Act historical property contract, rehabilitation program, and maintenance plan.

THEREFORE BE IT RESOLVED that the **Historic Preservation Commission hereby recommends** that the Board of Supervisors approve the Mills Act historical property contract, rehabilitation program, and maintenance plan for the historic building located at 201 Buchanan Street.

BE IT FURTHER RESOLVED that the **Historic Preservation Commission hereby directs** its Commission Secretary to transmit this Resolution, the Mills Act historical property contract, rehabilitation program, and maintenance plan for 201 Buchanan Street, and other pertinent materials in the case file 2011.0310U to the Board of Supervisors.

I hereby certify that the foregoing Resolution was ADOPTED by the Historic Preservation Commission on January 16, 2013.

Jonas P. Ionin

Acting Commission Secretary

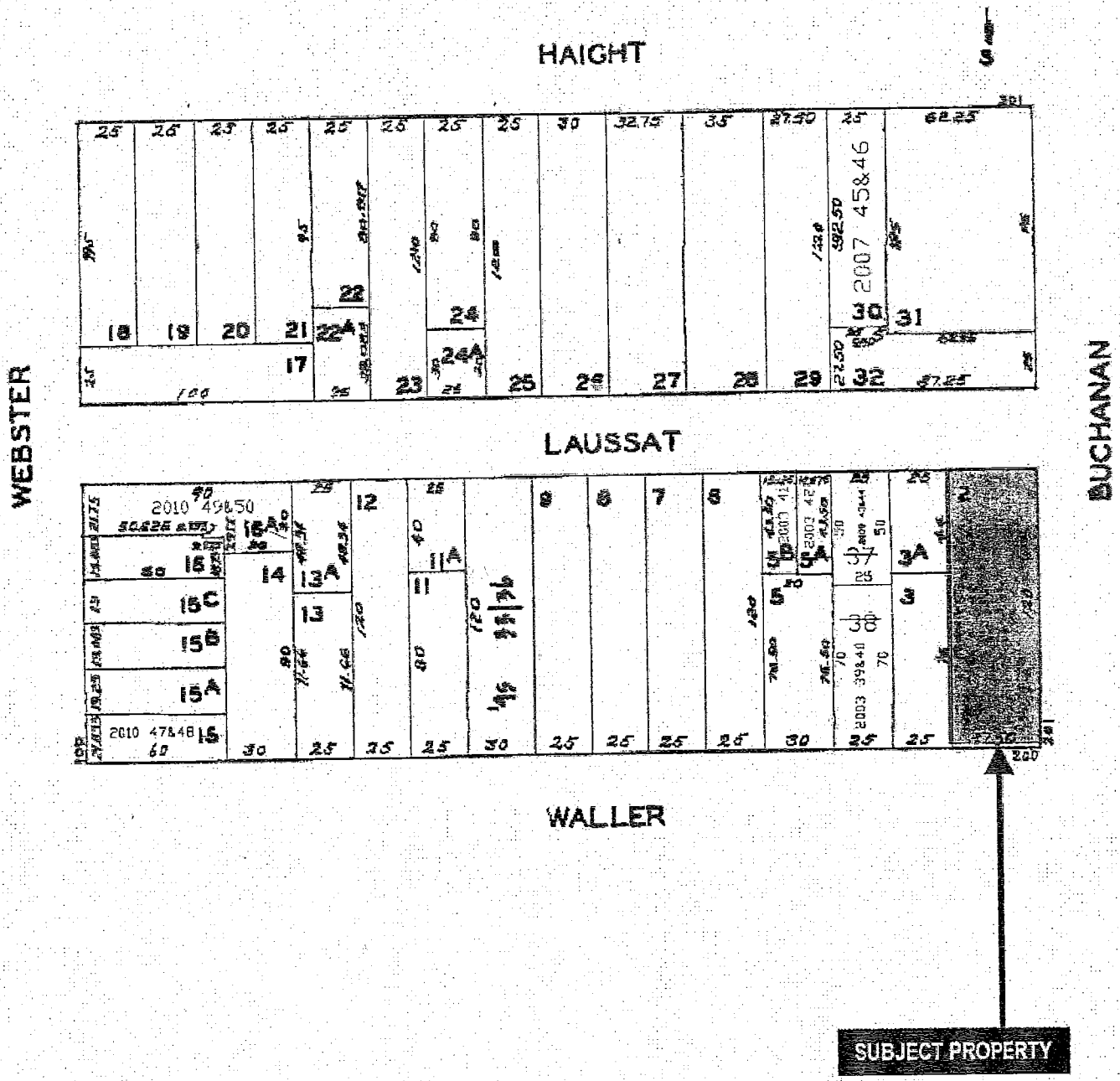
AYES:

NOES:

ABSENT:

ADOPTED:

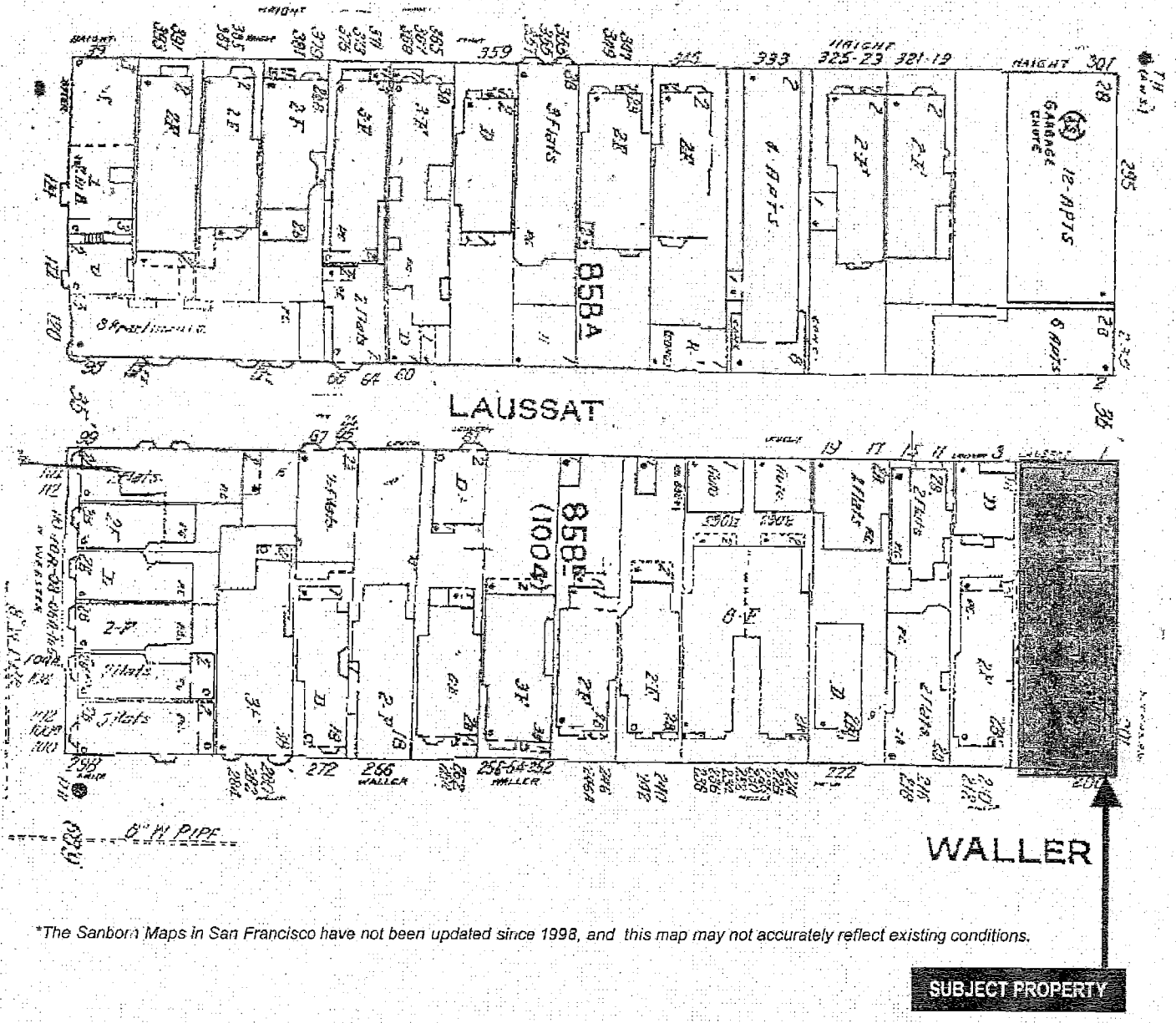
Parcel Map



Mills Act Application
Case Number 2011.0310U
Nightingale House, Landmark #47
201 Buchanan Street

SAN FRANCISCO
PLANNING DEPARTMENT

Sanborn Map*



*The Sanborn Maps in San Francisco have not been updated since 1998, and this map may not accurately reflect existing conditions.

Mills Act Application
Case Number 2011.0310U
Nightingale House, Landmark #47
201 Buchanan Street

SAN FRANCISCO
PLANNING DEPARTMENT

Aerial Photo

Mills Act Application
Case Number 2011.0310U
Nightingale House, Landmark #47
201 Buchanan Street

SAN FRANCISCO
PLANNING DEPARTMENT

Recording Requested by, and
when recorded, send notice to:
Director of Planning
1650 Mission Street
San Francisco, California 94103-2414

CALIFORNIA MILLS ACT
HISTORIC PROPERTY AGREEMENT
201 Buchanan Street
("NIGHTINGALE HOUSE")
SAN FRANCISCO, CALIFORNIA

THIS AGREEMENT is entered into by and between the City and County of San Francisco, a California municipal corporation ("City") and Jason H. Stein and Howard Stein ("Owners").

RECITALS

Owners are the owners of the property located at 201 Buchanan Street, in San Francisco, California (Block 0858, Lot 002). The building located at 201 Buchanan Street is designated as a City Landmark pursuant to Article 10 of the Planning Code and is also known as the "Nightingale House" ("Historic Property").

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 Six Hundred and Twelve Thousand Dollars ($612,000). (See Rehabilitation Plan, Exhibit A.) Owners' application calls for the maintenance of the Historic Property according to established preservation standards, which is estimated will cost approximately Three Thousand and Five Hundred Dollars ($3,500) annually (See Maintenance Plan, Exhibit B).

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 reduce their property taxes, or to prevent increases in 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 San Francisco Historic Preservation Commission ("HPC"), the San Francisco Planning Commission, and the San Francisco 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 HPC, the San Francisco Planning Commission, and the San Francisco 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 HPC, 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 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 San Francisco 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 San Francisco 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.

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. Within 20 days from the date of execution of this Agreement, the City shall cause this Agreement to be recorded with the Office of the 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:

CITY AND COUNTY OF SAN FRANCISCO:

By:_____ DATE:_____
Phil Ting
Assessor-Recorder

By:_____ DATE:_____
John Rahaim
Director of Planning

APPROVED AS TO FORM:
DENNIS J. HERRERA
CITY ATTORNEY

By:_____ DATE:_____
Marlena G. Byrne
Deputy City Attorney

OWNERS

By:_____ DATE:_____
Jason H. Stein, Owner

By:_____ DATE:_____
Howard Stein, Owner

OWNERS" SIGNATURE(S) MUST BE NOTARIZED.
ATTACH PUBLIC NOTARY FORMS HERE.

EXHIBIT A
APPLICATION NO.
PLANS DATED:
DEPARTMENT OF CITY PLANNING

201 Buchanan St. Certificate of Appropriateness Application

Rehabilitation Program (Application Pages 6a, 6b, 6c)

Chris Yerke, Restoration Workshop, Ltd. – March 15th, 2011

Stabilization of Building Exterior

Building Feature	Description	Cost
Exterior Paint **(for context only, not included in scope of application)**	Completely strip large portions of the east and south facades in which the existing paint has lost its ability to bond to the substrate. These are typically projecting, unprotected areas which take the brunt of weather and ultraviolet light exposure. These portions will be stripped to approximately 95 percent bare condition. Necessary repairs or in-kind replacement will be performed before these area are prepped and repainted. Prep consists of sanding, and then treating with clear, penetrating epoxy. Two coats of acrylic primer and at least two coats of finish paint will then be subsequently applied. Areas where the old paint is deemed to maintain a sufficient bond to the substrate will be cleaned, sanded and repainted. These are typically sheltered areas, protected by the eaves, or otherwise sheltered from sunlight and weather. Two coats of acrylic primer will be applied, followed by a minimum of two coats of acrylic top coat. The west and south facades are sheltered and will require only careful prep and repainting. All paint waste removed from the building will be disposed of by professional waste handlers.	N/A
Roof	All existing roofing material, including the original wooden shingles is to be removed. The original sub sheathing will be decked over with ½" CDX plywood. Certainteed Landmark Premium composition shingles are to be used for the new roof. All step flashings, drip edges and roof to wall flashings to be copper.	$35,320.00
Chimneys	All chimneys have highly weathered brick and substantial mortar loss. There are three existing Chimneys. Only two are visible from the street. These are the chimneys for the living room and dining room. These chimneys are both less than 2 feet tall. The living room chimney, which contains four flues, has a mortar cap and 4 terra cotta flue extensions. These chimneys will be disassembled to the roof deck, or slightly below and rebuilt to present configuration and height, using compatible new brick. They will be counter flashed using 20 oz. copper. The third chimney, which extends app. 6 feet above the roof, is not visible from and public thoroughfare. This chimney is now superfluous. Due to its deteriorated condition and lack of utility, it will be removed entirely and the opening roofed over. This chimney represents a hazard to the neighboring building in the event of an earthquake.	$5645.00
Gutters	All remaining redwood gutters are in an advanced state of decay and no longer functioning properly. In certain areas, they have been replaced with aluminum gutters which bear no aesthetic relationship to the original gutters. The gutters function as a principal molding of the cornice and cope into the crown molding at the rakes. Thus, they are important to the appearance of the exterior. All gutters will be replaced with new redwood gutters made to match the existing profile. These redwood gutters will then be lined with 20 oz copper and new copper downspouts will be attached at existing downspout locations. (see attached schematics)	$22917.00
Soffits	Do to failing roofing and leaking gutters there are areas of damage to wooden soffit planks. These will be repaired or replaced in-kind as is most appropriate. Repairs will be done with high quality, marine epoxies and rot-resistant CPES. Replacements will be done in old growth material which meets or exceeds the quality of the original wood used.	$5400.00
Moldings/ornaments	Missing or highly damaged ornaments and moldings will be replaced with exact	$11010.00

	replicas executed in high quality, old growth wood appropriate for exterior use. When feasible, damaged original ornament will be repaired with high quality, marine epoxies and rot-resistant CPES.	
Porch deck	The porch deck is not the original material. It is of modern plywood and leaks profusely. A surface membrane and proper flashing will be installed to provide a proper seal and arrest further deterioration.	$4400.00
Siding, Non-historic Addition	The non-historic addition and rear fence (ca. 1970) was sided in T1-11 sheet siding, improperly hung sideways. This siding is now in an advanced state of decay and must be replaced. This siding is to be removed and replaced with fiber cement or wood lap siding.	$11360.00
Double Hung Window sashes	The majority of the double hung windows on the east and south faces of the house are inoperable, either painted or nailed shut. They suffer from rot, failing joints, failing glazing and distortion of stiles and rails. Second floor windows in the dormers and gable ends are relatively protected and can possibly be restored. The bulk of windows on the basement and first floors are beyond their useful life and must be replaced. Cost to restore exceeds cost to replace in all cases. These windows are to be replaced with exact copies made in African mahogany for a longer life expectancy. Profiles and glass sizes will be preserved in all new windows. Single glazing will be used for greater life and to maintain the historic look of the house. All sashes will be thoroughly gasketed at sides, top, and bottom using replaceable, kerf-in brush weather stripping to limit air infiltration and increase heating efficiency. This work will be executed as budget allows, in groups over the 10 year period of the rehabilitation plan.	$38304.00
Fence	The original steel fence is covered in failing paint, has suffered damage and improper repairs, and needs a thorough cleaning down to bare metal. In most cases, the underlying metal is sound, if rusty. The fence will be professionally removed and taken away for sandblasting with the gentlest feasible aggregate. In this way it will be possible to get into highly recessed areas and areas impossible to reach when the fence is installed. Repairs will then be executed. Once repairs are complete, the fence will be primed with two part epoxy metal primer and reinstalled at the site, taking care to slightly elevate the fence in areas where the lower rail is currently sitting directly on grade. It will then be repainted with an appropriate acrylic top coat. New gates will be fabricated to replace the long-missing main gates. If possible, missing cast-iron finials will be found to replace missing post finials.	$13223.00

Recreation of missing original ornament from historic photos

Balconies at southeast and southwest corners of sunroom, South Elevation. **Visible in 1921 DPW photograph. (separate building permit)**	Recreate missing balconies by reverse engineering from the photograph. Emphasis will be on closely matching the appearance of the originals while greatly improving the engineering and waterproofing by marrying traditional craft with modern materials and techniques. Plans subject to departmental review before issuance of building permit.	TBD

201 Buchanan St. Certificate of Appropriateness Application

Rehabilitation Program (Application Pages 6a, 6b, 6c)

Chris Yerke, Restoration Workshop, Ltd. – March 15th, 2011

Jib doors opening from parlors to the balconies **(separate building permit)**	Recreate the jib doors that opened from the parlors to the balconies. Both of the south facing parlor windows which opened upon the balconies where originally jib doors. They have false head jambs which allow the inner sash to recede upwards into the wall cavity. They both have the apron area below the sash completely rebuilt with incorrect later materials, and the historic photograph shows additional evidence that these were jib doors in which the apron portion below the sash was actually a part of the sash, and raised with it creating, in effect a hidden door. These were not uncommon in the period for use to access an exterior porch when, for reasons of symmetry, a window was preferred to that having an actual door.	TBD
Gable Finials and Metal Ridge Cap **Visible in 1921 DPW photograph. (separate building permit)**	Recreate missing Gable tip finials, closely matching the form shown in the photos, but engineering for long term durability. This historic photo shows quite clearly the existence of 6 gable tip finials. It is logical to surmise that there were three more on the gables not visible in the photo. There would have been a finial on the tower as well, although the top of the tower is not included in the photo. Also visible in the photo is a metal ridge cap on all ridges of the roof. We would like to recreate this detail as it adds to the period charm of the house and fits with the finials.	TBD

201 Buchanan St. Mills Act Application

Maintenance Plan (Application Page 6c and 6d)

Chris Yerke, Restoration Workshop, Ltd. - March, 10th 2011

The maintenance plan for 201 Buchanan St. involves both a cycle of readily performed annual inspections and maintenance and a longer major maintenance cycle to be performed at painting intervals of approximately 15 years when scaffolding is in place.

Annual inspection of all accessible features should be performed each year, following the winter rains in May or June. This inspection should encompass all readily accessible/visible areas of the exterior, with emphasis on the most vulnerable locations. The inspection should be followed by recommended maintenance to be completed before the following winter rainy season.

Exterior

Wood sheathing, millwork and ornaments
Inspect: Annually, best done after end of rainy season.
Annual: Spot prime, paint and caulk as necessary to protect all readily accessible joinery and wood surfaces as necessary.
Long Term: Approximately every 15 years, replace or repair millwork, prep and repaint building.

Sheet metal
Inspect: Annually
Annual: Replace any loose nails, and repair any solder joints damaged by cycles of expansion and contraction, on all readily accessible sheet metal surfaces. Visually inspect gutters for blockage or damage. Inspect downspouts for proper function.
Long Term: Exhaustive inspection of all sheet metal surfaces, including gutter lining concurrent with major painting and maintenance intervals. Repair as necessary.

Glazing
Inspect: Annually
Annual: Maintain as necessary, checking for signs of moisture infiltration.

Doors
Inspect: Annually
Maintain: Inspect all exterior doors for proper seal and function. Replace/adjust hardware as necessary.

Roof
Inspect: Approximately every 15 years with major maintenance cycle.
Maintain: As required.

201 Buchanan St. Mills Act Application

Maintenance Plan (Application Page 6c and 6d)

Chris Yerke, Restoration Workshop, Ltd. - March, 10th 2011

Gutters, Downspouts and Drainage
Inspect: Annually during rains.
Maintain: Repair if needed.

Exposed Foundation
Inspect: Annually for cracks/settling
Maintain: No routine maintenance required.

Mills Act
2011-2012

SINGLE FAMILY RESIDENCE MARKET ANALYSIS

	Subject	Sale 1		Sale 2		Sale 3	
APN	**858-2**	**632-14**		**980-18**			
Address	**201 Buchanan**	**2781 Clay**		**2240 Broderick**			
Sales Price		**$2,865,000**		**$2,655,000**			
	Description	Description	Adjust	Description	Adjust	Description	Adjust
Cash Equivalency							
Date of Valuation	01/01/12	03/18/11		03/03/11			
Location	Pacific Heights	Pacific Heights		Pacific Heights			
Proximity to Subject							
Lot Size	4,500	2,495	$200,500	2,060	$244,000		
View	none						
Year Blt/Year Renovated	1878	1900		1900			
Condition	Good	Good		Good			
Construction Quality	Good	Good		Good			
Functional Utility	Good	Good		Good			
Gross Living Area	3,224	3,409	($74,000)	3,370	($58,400)		
Main floor(s) Living Area	2,144	3,409		3,370			
Total Rooms	10	9		12			
Bedrooms	5						
Full Baths/Half Baths	2	3	-$50,000	2			
Stories							
Garage							
Fin. Basement included in Gross Living Area	1080	0		0			
Other Amenities	6 Fireplaces	1 Fireplace		1 Fireplace			
Zoning	RH3	RH1		RH1			
Net Adjustments			($76,500)		$185,600		
Indicated Value			**$2,941,500**		**$2,840,600**		
Adjust. $ Per Sq. Ft.			$863		$843		

VALUE RANGE: **$2,840,600 to $2,941,500** **VALUE CONCLUSION:** **$2,850,000 - F.M.V.**

Lot size adjusted at $100 per sq ft. Gross living area adjusted at $400 per sq ft. Full bath adjustment $50,000.00

Income Approach

APN 0858-2
201 Buchanan St
Mills Act
Lien Date 01/01/12

Potential Gross Income				
Rental Income	3,224 sq. ft.	@	$5300	$63,600
Less Vacancy & Collection Loss		@	5%	-$3,180
Effective Gross Income				$60,420
Less Operating Expenses		@	15%	-$9,063
Net Operating Income				$51,357

Restricted Capitalization Rate

Rate Components:		
Interest Rate per SBE	@	5.000%
Risk	@	4.000%
Property Tax Rate	@	1.178%
Amortization (60-year Remaining economic Life; improvements)	@	5.000%
		16.678%

Capitalization Rate Summation

Land:		Imps:	
	5.000%		5.000%
	4.000%		4.000%
	1.178%		1.178%
	8.178%		5.000%
			15.178%

Weighted Capitalization Rate:

Land:	10.178%	x	0.6	=	6.11%
Imps:	15.178%	x	0.4	=	6.07%
					12.18%

Restricted Value @ 12.18% **$1,469,963** **Per NRA:** **$261**

Taxable Value – Three-Way Comparison

1 Restricted Value	$421,650
2 Factored Base Year Value	$1,566,334

Application for
Mills Act Historical Property Contract

CASE NUMBER
For Staff Use only

APPLICATION FOR
Mills Act Historical Property Contract

1. Owner/Applicant Information

PROPERTY OWNER 1 NAME:	TELEPHONE:
Jason H. Stein	(415)517-4424
PROPERTY OWNER 1 ADDRESS:	**EMAIL:**
201 Buchanan Street	j.h.stein@comcast.net

PROPERTY OWNER 2 NAME:	TELEPHONE:
Howard Stein	(714) 840-1229
PROPERTY OWNER 2 ADDRESS:	**EMAIL:**
~~3451~~ 3541 Sagamore Drive, Huntington Beach CA, 92649	Hes1st@Earthlink.net

PROPERTY OWNER 2 NAME:	TELEPHONE:
	( )
PROPERTY OWNER 2 ADDRESS:	**EMAIL:**

2. Subject Property Information

PROPERTY ADDRESS:	ZIP CODE:
201 Buchanan Street	94102
PROPERTY PURCHASE DATE:	**ASSESSOR BLOCK/LOT(S):**
07/02/10	0858,002
MOST RECENT ASSESSED VALUE:	**ZONING DISTRICT:**
$1,535,624.00	RTO

Are taxes on all property owned within the City and County of San Francisco paid to date?	YES ☒ NO ☐
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.*	YES ☐ NO ☒
Property is designated as a City Landmark under Article 10 of the Planning Code	YES ☒ NO ☐
Are there any outstanding enforcement cases on the property from the San Francisco Planning Department or the Department of Building Inspection?	YES ☐ NO ☒

I/we am/are the present owner(s) of the property described above and hereby apply for an historical property contract.

Owner Signature: _____ Date: 4/28/11

Owner Signature: _____ Date: 5/17/11

Owner Signature: _____ Date: _____

3. Program Priority Criteria

The following criteria are used to rank applications. Please check the appropriate categories as they apply to your building. Use a separate sheet to explain why your building should be considered a priority when awarding a Mills Act Historical Property Contract. Buildings that qualify in three of the five categories are given priority consideration.

1. Property meets one of the six criteria for a qualified historic property:

Property is individually listed in the National Register of Historic Places	YES ☐ NO ☒
Property is listed as a contributor to an historic district included on the National Register of Historic Places	YES ☐ NO ☒
Property is designated as a City Landmark under Article 10 of the Planning Code	YES ☒ NO ☐
Property is designated as a contributory building to an historic district designated under Article 10 of the Planning Code	YES ☐ NO ☒
Property is designated as a Category I or II (significant) to a conservation district under Article 11 of the Planning Code	YES ☐ NO ☒
Property is designated as a Category III or IV (contributory) to a conservation district under Article 11 of the Planning Code	YES ☐ NO ☒

2. Property falls under the following Property Tax Value Assessments:

Residential Buildings: $3,000,000	YES ☒ NO ☐
Commercial, Industrial or Mixed Use Buildings: $5,000,000	YES ☐ NO ☒

**If property value exceeds these values please complete Part 3: Application of Exemption*

3. Maintenance and Preservation Plan:

A 10 Year Preservation and Maintenance Plan will be submitted detailing work to be performed on the subject property	YES ☒ NO ☐

4. Required Standards:

Proposed work will meet the *Secretary of the Interior's Standards for the Treatment of Historic Properties* and/or the California Historic Building Code.	YES ☒ NO ☐

**If 'Yes', please detail how the proposed work meets the Secretary of Interior Standards on a separate sheet.*

5. Mills Act Tax Savings:

Property owner will ensure that a portion of the Mills Act tax savings will be used to finance the preservation, rehabilitation, and maintenance of the property	YES ☒ NO ☐

4. Application for Exemption from Property Tax Valuation

On a separate sheet please explain how your building meets the following criteria and should be exempt from the property tax valuations. Also attach a copy of the most recent tax bill.

1. The qualified historic property is an exceptional example of architectural style or represents a work of a master architect or is associated with the lives of persons important to local or national history; or
2. Granting the exemption will assist in the preservation of a structure (including unusual and/or excessive maintenance requirements) that would otherwise be in danger of demolition, substantial alteration or relocation. A Historic Structure Report prepared for the property is attached; and
3. Granting the exemption will not cause the cumulative loss of property tax revenue to the City to exceed $1,000,000 annually.

NAMES:
Jason Stein
Howard Stein
TAX ASSESSED VALUE:
$1,535,624.00
PROPERTY ADDRESS:
201 Buchanan, San Francisco, CA 94102

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.

X

Owner Signature: Howard Stein Date: 4/18/11

Owner Signature: Jason Stein Date: 5/17/11

Owner Signature: _____ Date: _____

Planning Department Staff Evaluation

THIS SECTION TO BE COMPLETED EXCLUSIVELY BY PLANNING DEPARTMENT STAFF

Cumulative loss of more than $1,000,000?	YES ☐	NO ☑
Exceptional Structure?	YES ☑	NO ☐
Specific threat to resource?	YES ☐	NO ☐
Complete HSR submitted?	YES ☐	NO ☐

Percent above limit: _____

No. of criteria satisfied: _____

Planner's Initial: _____

5. Rehabilitation/Restoration/Maintenance Plan

Use this form to outline your rehabilitation, restoration, and maintenance plan. Copy this page as necessary to include all items that apply to your property. Begin by listing recently completed work (if applicable) and continue with work you propose to complete within the next ten years arranging in order of priority.

Please note that *all applicable Codes and Guidelines apply to all work,* including the Planning Code and Building Code. If components of the proposed Plan requires approvals by the Historic Preservation Commission, Planning Commission, Zoning Administrator, or any other government body, these *approvals must be secured prior to applying for a Mills Act Historical Property Contract.*

Rehabilitation/Restoration/Maintenance Scope

PROPERTY ADDRESS: 201 Buchanan Street, San Francisco, CA 94102

BUILDING FEATURE:			
Rehab/Restoration ☒	Maintenance ☐	Completed ☐	Proposed ☒
CONTRACT YEAR WORK COMPLETION:			
TOTAL COST (rounded to nearest dollar):			
DESCRIPTION OF WORK: (See Attached)			

BUILDING FEATURE:			
Rehab/Restoration ☐	Maintenance ☒	Completed ☐	Proposed ☒
CONTRACT YEAR WORK COMPLETION:			
TOTAL COST (rounded to nearest dollar):			
DESCRIPTION OF WORK: (See Attached)			

6. 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: ORANGE

On: 4-18-2011 (DATE) before me, MARY M. GIACCHINO (INSERT NAME OF THE OFFICER),

NOTARY PUBLIC personally appeared: HOWARD STEIN (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.

MARY M. GIACCHINO
COMM. # 1800299
NOTARY PUBLIC - CALIFORNIA
ORANGE COUNTY
MY COMM. EXP. JUNE 3, 2012

Mary M. Giacchino
SIGNATURE

(PLACE NOTARY SEAL

7. Historical Property Tax Adjustment Worksheet Calculation

The following is an example showing the possible tax benefits to the historical property owner of an owner-occupied single-family dwelling. This form is a guideline only. Your reduced property tax under a Mills Act contract is not guaranteed to match this calculation.

EXAMPLE:

Single-family Dwelling
Current Assessed Value = $100,000
Estimated Monthly Rent = $800

Determine Annual Income and Annual Operating Expenses

An $800 monthly income less $100 monthly expenses for maintenance, repairs, insurance, utilities yields a net monthly income of $700. Multiply the net monthly income by 12 months for an annual net income of $8,400. (Mortgage payments and property taxes are not considered expenses.)

Determine Capitalization Rate

Add the following together to determine the Capitalization Rate:

- The Interest Component is determined by the Federal Housing Finance Board and is based on conventional mortgages. While this component will vary from year to year, the State Board of Equalization has set this at 6.50% for 2009.
- The Historical Property Risk Component of 4% (as prescribed in Sec. 439.2 of the State Revenue and Tax Code) applies to owner-occupied single-family dwellings. A 2% risk component applies to all other properties.
- The Property Tax Component (Post-Prop. 13) of .01 times the assessment ratio of 100% (1%).
- The Amortization Component is a percentage equal to the reciprocal of the remaining life of the structure and is set at the discretion of the County Assessor for each individual property. In this example the remaining life of a wood frame building is typically 20 years. The amortization component is calculated thus: 100% x 1/20 = 5%. Use 5% for your calculation.

To arrive at the Capitalization Rate add the components as such:

Interest Component	6.5%
Historical Property Risk Component	4.0%
Property Tax Component	1.0%
Amortization Component	5.0%
CAPITALIZATION RATE	**16.5%**

Calculate New Assessed Value and Estimated Tax Reduction

The new assessed value is determined by dividing the annual net income ($8,400) by the capitalization rate .1650 (16.50%) to arrive at the new assessed value of $50,909.

Lastly, determine the amount of taxes to be paid by taking .01 (1%) of the assessed value $50,909. Compare this with the current property tax rate for land and improvements only (be sure not to include voter indebtedness, direct assessments, tax rate areas and special districts items on your tax bill).

In this example, the annual property taxes have been reduced by $491 ($1,000 - $509), an approximately 50% property tax reduction.

Current general levy property tax:

Original Assessed Valuation	$100,000
Tax Rate	1%
CURRENT PROPERTY TAXES	**$1,000**

Mills Act property tax:

New Assessed Value	$50,909
Tax Rate	1%
MILLS ACT PROPERTY TAXES	**$509**

Application for
Mills Act Historical Property Contract

CASE NUMBER:
For Staff Use only

Historical Property Tax Adjustment Worksheet Guide

PROPERTY ADDRESS:

STEP 1: Determine Annual Income of Property

ANNUAL PROPERTY INCOME	CURRENT	EXPLANATION
1. Monthly Rental Income	$ 5300.00	For owner-occupied properties estimate a monthly rental income. Include all potential sources of income (filming, advertising, photo shoots, billboard rentals, etc.)
2. **Annual Rental Income**	$ 63600.00	Multiply Line 1 by 12

STEP 2: Calculate Annual Operating Expenses

ANNUAL OPERATING EXPENSES	CURRENT	EXPLANATION
3. Insurance	$ 2561.00	Fire, Liability, etc.
4. Utilities	$ 6637.00	Water, Gas, Electric, etc
5. Maintenance*	$ 3500.00	Maintenance includes: Painting, plumbing, electrical, gardening, cleaning, mechanical, heating repairs, and structural repairs.
6. Management*	$	
7. Other Operating Expenses	$	Security, services, etc. Provide breakdown on separate sheet.
8. **Total Expenses†**	$ 12698.00	Add Lines 3 through 7

* If calculating for commercial property, provide the following back-up documentation where applicable:
  - Rent Roll (include rent for on-site manager's unit as income if applicable)
  - Maintenance Records (provide detailed break-down; all costs should be recurring annually)
  - Management Expenses (include expense of on-site manager's unit and 5% off-site management fee; and describe other management costs. Provide breakdown on separate sheet.)

† Annual operating expenses do not include mortgage payments, property taxes, depletion charges, corporate income taxes or interest on funds invested in the property.

STEP 3: Determine Annual Net Income

NET OPERATING INCOME	CURRENT	EXPLANATION
9. **Net Operating Income**	$ 50902.00	Line 2 minus Line 8

STEP 4: Determine Capitalization Rate

CAPITALIZATION RATE	CURRENT	EXPLANATION
10. Interest Component	5.0%	As determined by the State Board of Equalization for 2009/2010
11. Historic Property Risk Component	2%	Single-family home = 4% All other property = 2%
12. Property Tax Component	1%	.01 times the assessment ratio of 100%
13. Amortization Component (Reciprocal of life of property)	5%	If the life of the improvements is 20 years Use 100% x 1/20 = 5%
14. **Capitalization Rate**	13%	Add Lines 10 through 13

STEP 5: Calculate New Assessed Value

NEW ASSESSED VALUE	CURRENT	EXPLANATION
15. **Mills Act Assessed Value**	$ 391553.85	Line 9 divided by Line 14

STEP 6: Determine Estimated Tax Reduction

NEW TAX ASSESSMENT	CURRENT	EXPLANATION
16. Current Tax (Exclude voter indebtedness, direct assessments, tax rate areas and special districts)	$ 17,874.66	General tax levy only – do not include voted indebtedness or other direct assessments
17. Tax under Mills Act	$ 3945.54	Line 15 x .01
18. **Estimated Tax Reduction**	$ 13929.12	Line 16 minus Line 17

Application Checklist to be Submitted with all Materials

Utilize this list to ensure a complete application package is submitted.

1	**Historical Property Contract Application** Have all owners signed and dated the application?	YES ☑ NO ☐
2	**Priority Consideration Criteria Worksheet** Have three priorities been checked and adequately justified?	YES ☑ NO ☐
3	**Exemption Form & Historic Structure Report** Required for Residential properties with an assessed value over $3,000,000 and Commercial/Industrial properties with an assessed value over $5,000,000	YES ☐ NO ☒
4	**Notary Acknowledgement Form** Is the Acknowledgement Form complete? Do the signatures match the names and capacities of signers?	YES ☑ NO ☐
5	**Rehabilitation/Restoration/Maintenance Plan** Use this form to identify the Rehabilitation, Restoration and Maintenance scopes of work that are needed by the property. Identify the contract year in which each item is to be completed (e.g. Year 1, Year 2). All work should be completed by Year 10. To qualify for allowable work under the Contract, only work completed within the last year should be identified as Completed.	YES ☑ NO ☐
6	**Historical Property Tax Adjustment Worksheet** Did you provide back-up documentation (*for commercial property only*)?	YES ☑ NO ☐
7	**Photographic Documentation** Have you provided both interior and exterior images? Are the images properly labeled?	YES ☑ NO ☐
8	**Site Plan** Does your site plan show all buildings on the property including lot boundary lines, street name(s), north arrow and dimensions?	YES ☑ NO ☐
9	**Tax Bill** Did you include a copy of your most recent tax bill?	YES ☑ NO ☐
10	**Payment** Did you include a check payable to the San Francisco Planning Department?	YES ☐ NO ☐

201 Buchanan Mills Act Application

Statement of Eligibility for Exemption from Property Tax Valuation, page 5A

Chris Yerke, Restoration Workshop, Ltd.

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201 Buchanan was built in 1882 at the behest of John Nightingale Sr. as a wedding present for his eldest daughter, Florence, and her husband G. Hamilton Page. John Nightingale Sr. was 49'er, who made his fortune in real estate. He was a president of the Society of California Pioneers and a city supervisor. He was instrumental in the choice of site for the 1870 city hall, and played a part in the development of the residential area on the north side of Golden Gate Park.

He chose John Marquis, a prominent San Francisco architect to design the house. Marquis obliged, designing a house in the Stick/Eastlake style. Aesthetic movement influence is present in the fretwork panels and incised carvings present on the house. Adding this to the mansarded tower and the freestanding, horizontal aspect of the building, the "Nightingale" house is unique in the city of San Francisco. Large, decorative timber brackets support generous, overhanging eaves. Barge rafters are supported by elaborate timber truss work decorated with fretwork panels, and turnings. Marquis added a gothic revival touch by using 12, gothic headed windows with prominent head casings topped by a turning. There is a great deal of high-quality, period ornament on the structure and as such it is an excellent surviving collection of period craft.

201 Buchanan is now 129 years old. It has been subject to benign neglect and deferred maintenance for many decades. It is now at a critical point. The redwood gutters no longer function, old paint has failed on the weather faces of the house, and moisture has loosened much of the trim. The roof is at the end of its life, and the majority of the double hung sashes are not operational and structurally unsound. If the exterior of the building is not stabilized and restored, it will not be long before large portions of the original exterior will be beyond saving. Stripping, sealing, re-painting, re-roofing, new gutters and sash replacement are among the many, high-cost restoration tasks required to preserve this San Francisco landmark.

201 Buchanan is San Francisco city landmark number 47. It is an important, iconic house and as such meets the criteria for Mills Act status exemption from property tax valuation. This tax exemption is necessary to aid the owners in restoration and ongoing preservation of the property. A Mills Act property tax exemption would not result in anything close to a loss of $1,000,000.00 in annual tax revenue to the city.

201 Buchanan St. Mills Act Application

Maintenance Plan (Application Page 6c and 6d)

Chris Yerke, Restoration Workshop, Ltd. - March, 10th 2011

The maintenance plan for 201 Buchanan St. involves both a cycle of readily performed annual inspections and maintenance and a longer major maintenance cycle to be performed at painting intervals of approximately 15 years when scaffolding is in place.

Annual inspection of all accessible features should be performed each year, following the winter rains in May or June. This inspection should encompass all readily accessible/visible areas of the exterior, with emphasis on the most vulnerable locations. The inspection should be followed by recommended maintenance to be completed before the following winter rainy season.

Exterior

Wood sheathing, millwork and ornaments
Inspect: Annually, best done after end of rainy season.
Annual: Spot prime, paint and caulk as necessary to protect all readily accessible joinery and wood surfaces as necessary.
Long Term: Approximately every 15 years, replace or repair millwork, prep and repaint building.

Sheet metal
Inspect: Annually
Annual: Replace any loose nails, and repair any solder joints damaged by cycles of expansion and contraction, on all readily accessible sheet metal surfaces. Visually inspect gutters for blockage or damage. Inspect downspouts for proper function.
Long Term: Exhaustive inspection of all sheet metal surfaces, including gutter lining concurrent with major painting and maintenance intervals. Repair as necessary.

Glazing
Inspect: Annually
Annual: Maintain as necessary, checking for signs of moisture infiltration.

Doors
Inspect: Annually
Maintain: Inspect all exterior doors for proper seal and function. Replace/adjust hardware as necessary.

Roof
Inspect: Approximately every 15 years with major maintenance cycle.
Maintain: As required.

201 Buchanan St. Mills Act Application

Maintenance Plan (Application Page 6c and 6d)

Chris Yerke, Restoration Workshop, Ltd. - March, 10th 2011

Gutters, Downspouts and Drainage
Inspect: Annually during rains.
Maintain: Repair if needed.

Exposed Foundation
Inspect: Annually for cracks/settling
Maintain: No routine maintenance required.

201 Buchanan St. Mills Act Application

Rehabilitation Program (Application Pages 6a, 6b)

Chris Yerke, Restoration Workshop Ltd. – March 11th, 2011

Stabilization of Building Exterior

Building Feature	Description	Cost	Contract Yr.
Exterior Paint	Completely strip large portions of the east and south facades in which the existing paint has lost its ability to bond to the substrate. These are typically projecting, unprotected areas which take the brunt of weather and ultraviolet light exposure. These portions will be stripped to approximately 95 percent bare condition. Necessary repairs or in-kind replacement will be performed before these areas are prepped and repainted. Prep consists of sanding, and then treating with clear, penetrating epoxy. Two coats of acrylic primer and at least two coats of finish paint will then be subsequently applied. Areas where the old paint is deemed to maintain a sufficient bond to the substrate will be cleaned, sanded and repainted. These are typically sheltered areas, protected by the eaves , or otherwise sheltered from sunlight and weather. Two coats of acrylic primer will be applied, followed by a minimum of two coats of acrylic top coat. The west and south facades are sheltered and will require only careful prep and repainting. All paint waste removed from the building will be disposed of by professional waste handlers.		1
Roof	All existing roofing material, including the original wooden shingles is to be removed. The original sub sheathing will be decked over with ½" CDX plywood. Certainteed Landmark Premium composition shingles are to be used for the new roof. All step flashings, drip edges and roof to wall flashings to be copper.		1
Chimneys	All chimneys have highly weathered brick and substantial mortar loss. There are three existing Chimneys. Only two are visible from the street. These are the chimneys for the living room and dining room. These chimneys are both less than 2 feet tall. The living room chimney, which contains four flues, has a mortar cap and 4 terra cotta flue extensions. These chimneys will be disassembled to the roof deck, or slightly below and rebuilt to present configuration and height, using compatible new brick. They will be counter flashed using 20 oz. copper. The third chimney, which extends app. 6 feet above the roof is not visible from and public thoroughfare. This chimney is now superfluous. Due to its deteriorated condition and lack of utility, it will be removed entirely and the opening roofed over. This chimney represents a hazard to the neighboring building in the event of an earthquake.		1
Gutters	All remaining redwood gutters are in an advanced state of decay and no longer functioning properly. In certain areas, they have been replaced with aluminum gutters which bear no aesthetic relationship to the original gutters. The gutters function as a principal molding of the cornice and cope into the crown molding at the rakes. Thus, they are important to the appearance of the exterior. All gutters will be replaced with new redwood gutters made to match the existing profile. These redwood gutters will then be lined with 20 oz copper and new copper downspouts will be attached at existing downspout locations. (see attached schematics)		1
Soffits	Do to failing roofing and leaking gutters there are areas of damage to		1

	wooden soffit planks. These will be repaired or replaced in-kind as is most appropriate. Repairs will be done with high quality, marine epoxies and rot-resistant CPES. Replacements will be done in old growth material which meets or exceeds the quality of the original wood used.		
Moldings/ornaments	Missing or highly damaged ornaments and moldings will be replaced with exact replicas executed in high quality, old growth wood appropriate for exterior use. When feasible, damaged original ornament will be repaired with high quality, marine epoxies and rot-resistant CPES.		1
Porch deck	The porch deck is not the original material. It is of modern plywood and leaks profusely. A surface membrane and proper flashing will be installed to provide a proper seal and arrest further deterioration.		1
Siding, Non-historic Addition	The non historic addition and rear fence (ca. 1970) was sided in T1-11 sheet siding, improperly hung sideways. This siding is now in an advanced state of decay and must be replaced. This siding is to be removed and replaced with fiber cement lap siding.		1
Double Hung Window sashes	The majority of the double hung windows on the east and south faces of the house are inoperable, either painted or nailed shut. They suffer from rot, failing joints, failing glazing and distortion of stiles and rails. Second floor windows in the dormers and gable ends are relatively protected and can possibly be restored. The bulk of windows on the basement and first floors are beyond their useful life and must be replaced. Cost to restore exceeds cost to replace in all cases. These windows are to be replaced with exact copies made in African mahogany for a longer life expectancy. Profiles and glass sizes will be preserved in all new windows. Single glazing will be used for greater life and to maintain the historic look of the house. All sashes will be thoroughly gasketed at sides, top, and bottom using replaceable, kerf-in brush weather stripping to limit air infiltration and increase heating efficiency. This work will be executed as budget allows, in groups over the 10 year period of the rehabilitation plan.		2 through 10
Fence	The original steel fence is covered in failing paint, has suffered damage and improper repairs, and needs a thorough cleaning down to bare metal. In most cases, the underlying metal is sound, if rusty. The fence will be professionally removed and taken away for sandblasting with the gentlest feasible aggregate. In this way it will be possible to get into highly recessed areas and areas impossible to reach when the fence is installed. Repairs will then be executed. Once repairs are complete, the fence will be primed with two part epoxy metal primer and reinstalled at the site, taking care to slightly elevate the fence in areas where the lower rail is currently sitting directly on grade. It will then be repainted with an appropriate acrylic top coat. New gates will be fabricated to replace the long-missing main gates. If possible, missing cast-iron finials will be found to replace missing post finials.		3

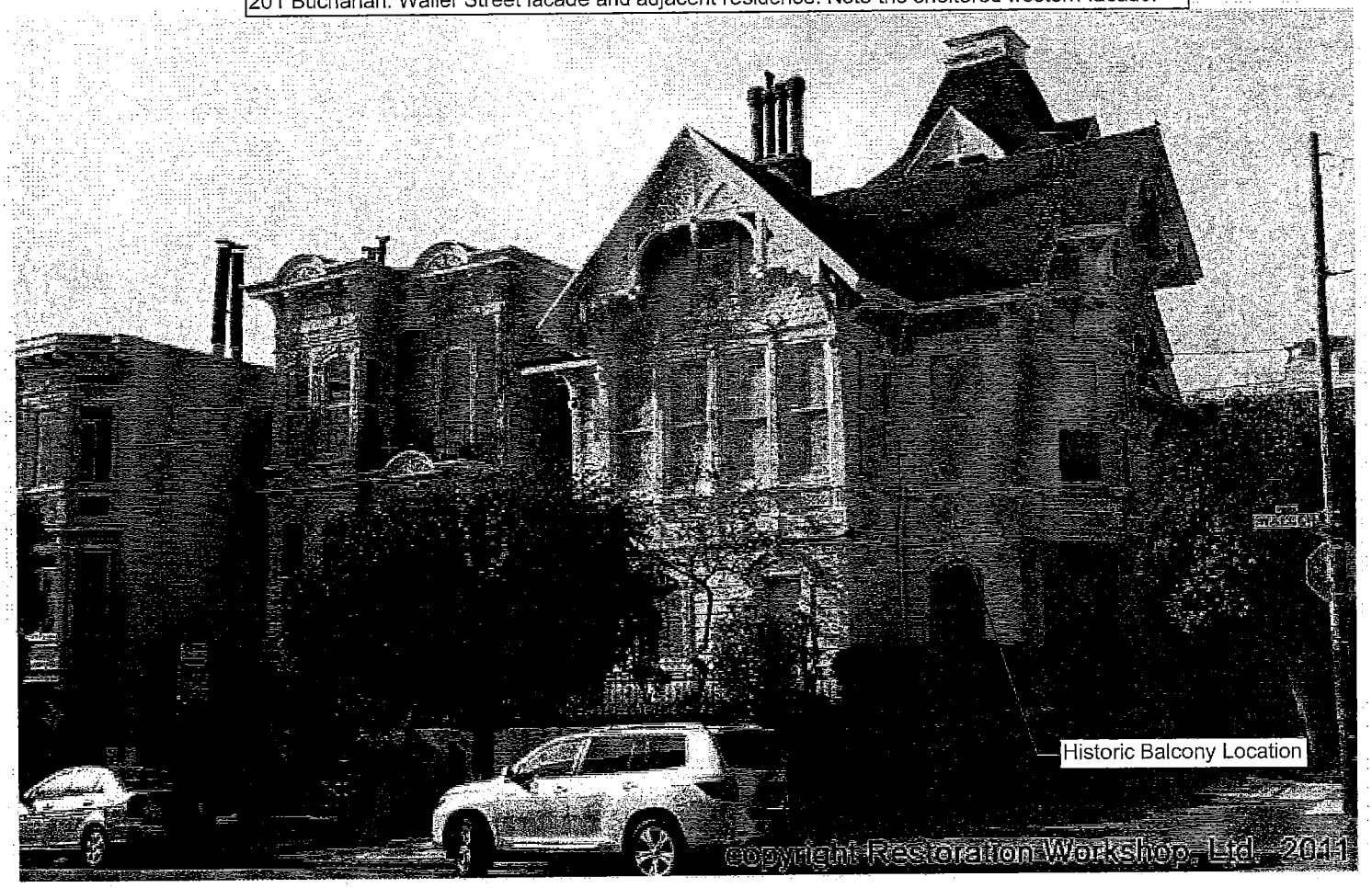
Stabilization of Building Exterior

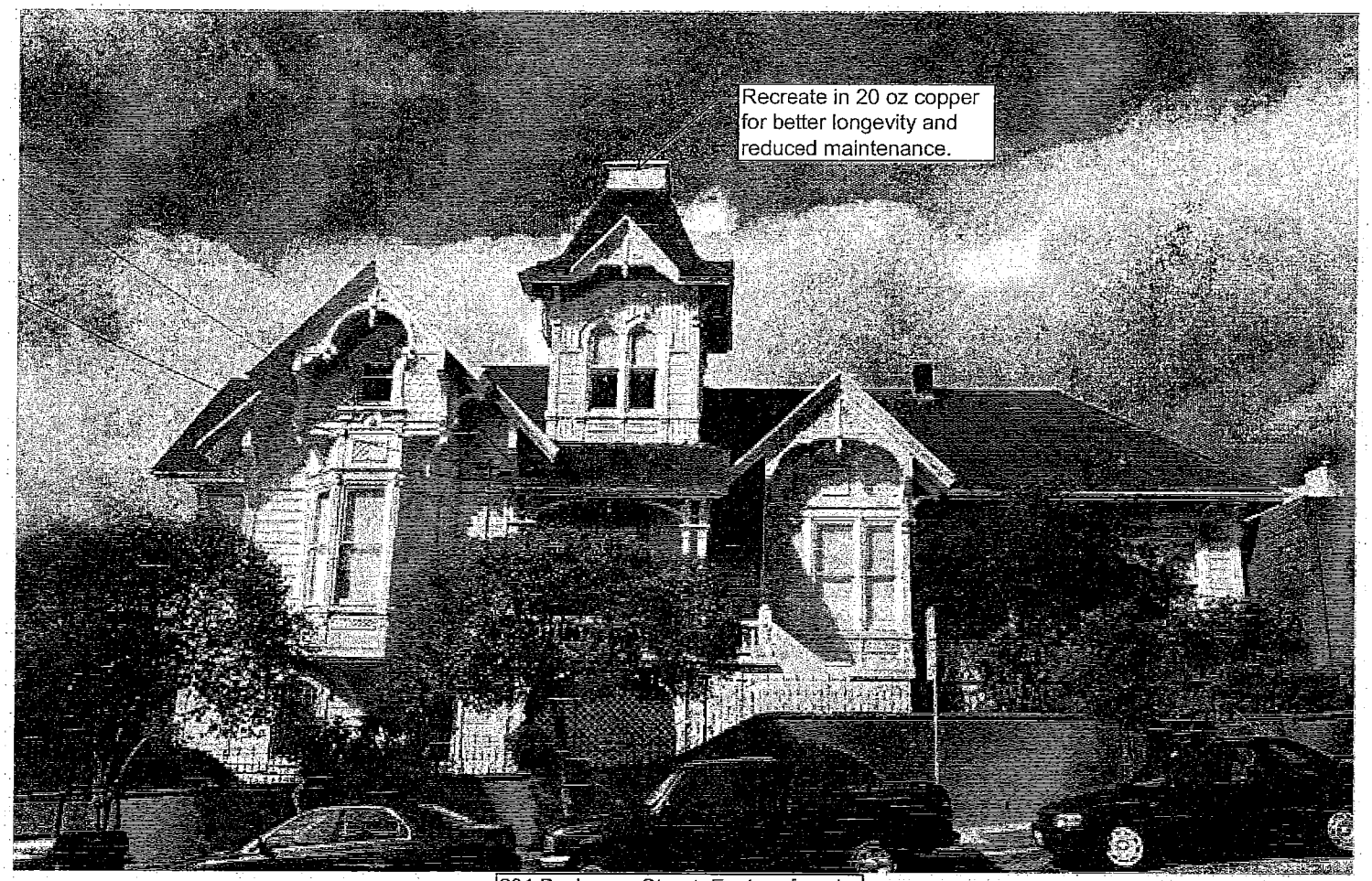
Cost Estimate

Building Feature	Description	Cost
Exterior Paint **(for context only, not included in scope of application)**	Completely strip large portions of the east and south facades in which the existing paint has lost its ability to bond to the substrate. These are typically projecting, unprotected areas which take the brunt of weather and ultraviolet light exposure. These portions will be stripped to approximately 95 percent bare condition. Necessary repairs or in-kind replacement will be performed before these area are prepped and repainted. Prep consists of sanding, and then treating with clear, penetrating epoxy. Two coats of acrylic primer and at least two coats of finish paint will then be subsequently applied. Areas where the old paint is deemed to maintain a sufficient bond to the substrate will be cleaned, sanded and repainted. These are typically sheltered areas, protected by the eaves, or otherwise sheltered from sunlight and weather. Two coats of acrylic primer will be applied, followed by a minimum of two coats of acrylic top coat. The west and south facades are sheltered and will require only careful prep and repainting. All paint waste removed from the building will be disposed of by professional waste handlers.	175,000
Roof	All existing roofing material, including the original wooden shingles is to be removed. The original sub sheathing will be decked over with ½" CDX plywood. Certainteed Landmark Premium composition shingles are to be used for the new roof. All step flashings, drip edges and roof to wall flashings to be copper.	60,000
Chimneys	All chimneys have highly weathered brick and substantial mortar loss. There are three existing Chimneys. Only two are visible from the street. These are the chimneys for the living room and dining room. These chimneys are both less than 2 feet tall. The living room chimney, which contains four flues, has a mortar cap and 4 terra cotta flue extensions. These chimneys will be disassembled to the roof deck, or slightly below and rebuilt to present configuration and height, using compatible new brick. They will be counter flashed using 20 oz. copper. The third chimney, which extends app. 6 feet above the roof, is not visible from and public thoroughfare. This chimney is now superfluous. Due to its deteriorated condition and lack of utility, it will be removed entirely and the opening roofed over. This chimney represents a hazard to the neighboring building in the event of an earthquake.	15,000
Gutters/Downspouts/Drainage	All remaining redwood gutters are in an advanced state of decay and no longer functioning properly. In certain areas, they have been replaced with aluminum gutters which bear no aesthetic relationship to the original gutters. The gutters function as a principal molding of the cornice and cope into the crown molding at the rakes. Thus, they are important to the appearance of the exterior. All gutters will be replaced with new redwood gutters made to match the existing profile. These redwood gutters will then be lined with 20 oz copper and new copper downspouts will be attached at existing downspout locations. (see attached schematics)	40,000
Soffits	Do to failing roofing and leaking gutters there are areas of damage to wooden soffit planks. These will be repaired or replaced in-kind as is most appropriate. Repairs will be done with high quality, marine epoxies and rot-resistant CPES. Replacements will be done in old growth material which meets or exceeds the quality of the original wood used.	18,000
Moldings/ornaments	Missing or highly damaged ornaments and moldings will be replaced with exact replicas executed in high quality, old growth wood appropriate for exterior use. When feasible, damaged original ornament will be repaired with high quality, marine epoxies and rot-resistant CPES.	85,000
Porch deck	The porch deck is not the original material. It is of modern plywood and leaks profusely. A surface membrane and proper flashing will be installed to provide a proper seal and arrest further deterioration.	5,000
Siding, Non-historic Addition	The non-historic addition and rear fence (ca. 1970) was sided in T1-11 sheet siding, improperly hung sideways. This siding is now in an advanced state of decay and must be replaced. This siding is to be removed and replaced with fiber cement or wood lap siding.	15,000

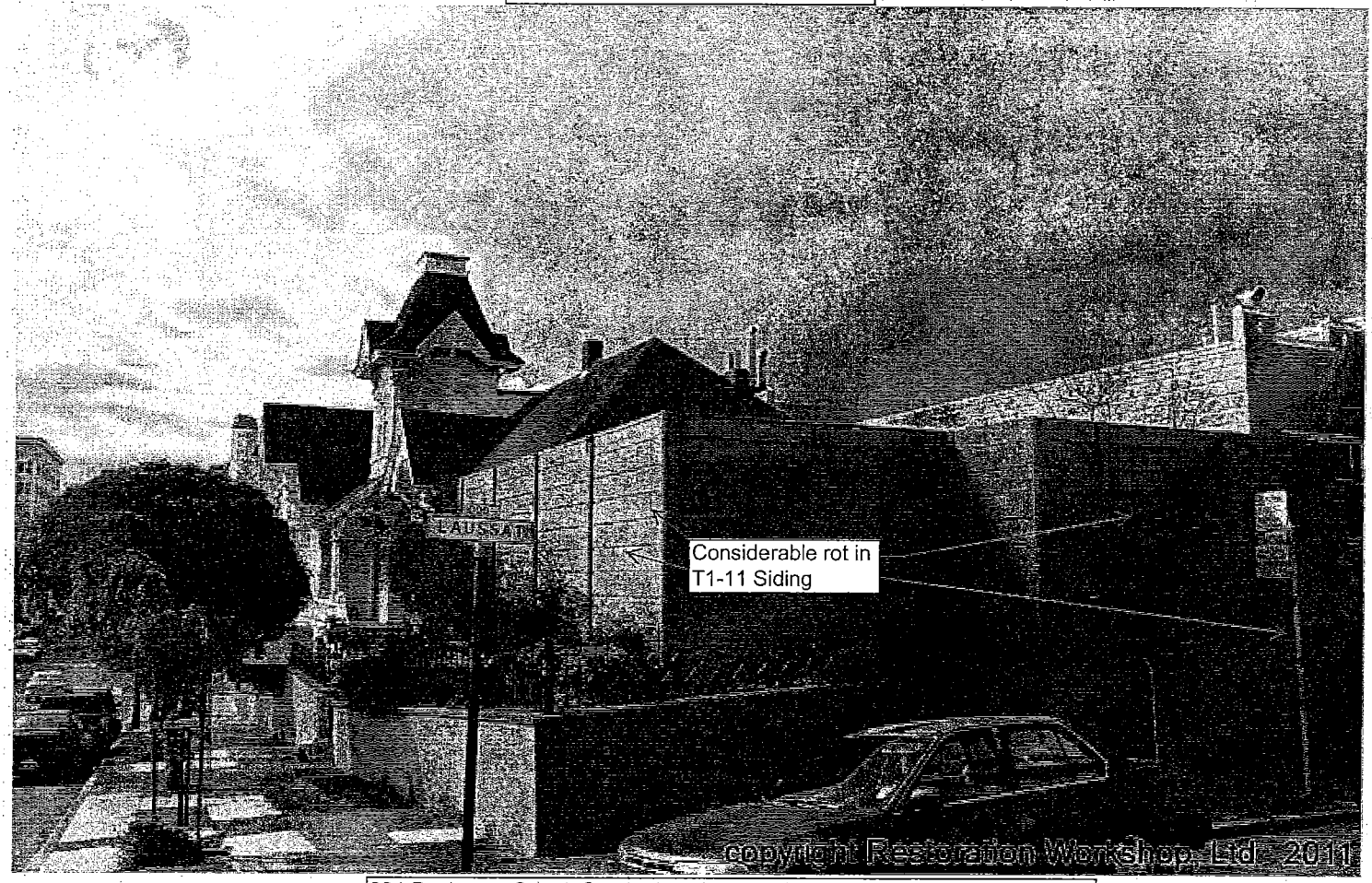
Double Hung Window sashes	The majority of the double hung windows on the east and south faces of the house are inoperable, either painted or nailed shut. They suffer from rot, failing joints, failing glazing and distortion of stiles and rails. Second floor windows in the dormers and gable ends are relatively protected and can possibly be restored. The bulk of windows on the basement and first floors are beyond their useful life and must be replaced. Cost to restore exceeds cost to replace in all cases. These windows are to be replaced with exact copies made in African mahogany for a longer life expectancy. Profiles and glass sizes will be preserved in all new windows. Single glazing will be used for greater life and to maintain the historic look of the house. All sashes will be thoroughly gasketed at sides, top, and bottom using replaceable, kerf-in brush weather stripping to limit air infiltration and increase heating efficiency. This work will be executed as budget allows, in groups over the 10 year period of the rehabilitation plan.	90,000
Fence	The original steel fence is covered in failing paint, has suffered damage and improper repairs, and needs a thorough cleaning down to bare metal. In most cases, the underlying metal is sound, if rusty. The fence will be professionally removed and taken away for sandblasting with the gentlest feasible aggregate. In this way it will be possible to get into highly recessed areas and areas impossible to reach when the fence is installed. Repairs will then be executed. Once repairs are complete, the fence will be primed with two part epoxy metal primer and reinstalled at the site, taking care to slightly elevate the fence in areas where the lower rail is currently sitting directly on grade. It will then be repainted with an appropriate acrylic top coat. New gates will be fabricated to replace the long- missing main gates. If possible, missing cast-iron finials will be found to replace missing post finials.	14,000
Balconies at southeast & southwest corners of sunroom, South Elevation **(Visible in 1921 DPW photograph. Separate building permit)**	Recreate missing balconies by reverse engineering from the photograph. Emphasis will be on closely matching the appearance of the originals while greatly improving the engineering and waterproofing by marrying traditional craft with modern materials and techniques. Plans subject to departmental review before issuance of building permit	45,000
Jib doors opening from parlors to the balconies **(separate building permit)**	Recreate the jib doors that opened from the parlors to the balconies. Both of the south facing parlor windows which opened upon the balconies where originally jib doors. They have false head jambs which allow the inner sash to recede upwards into the wall cavity. They both have the apron area below the sash completely rebuilt with incorrect later materials, and the historic photograph shows additional evidence that these were jib doors in which the apron portion below the sash was actually a part of the sash, and raised with it creating, in effect a hidden door. These were not uncommon in the period for use to access an exterior porch when, for reasons of symmetry, a window was preferred to that having an actual door.	TBD
Gable Finials and Metal Ridge Cap **Visible in 1921 DPW photograph. (separate building permit)**	Recreate missing Gable tip finials, closely matching the form shown in the photos, but engineering for long term durability. This historic photo shows quite clearly the existence of 6 gable tip finials. It is logical to surmise that there were three more on the gables not visible in the photo. There would have been a finial on the tower as well, although the top of the tower is not included in the photo. Also visible in the photo is a metal ridge cap on all ridges of the roof. We would like to recreate this detail as it adds to the period charm of the house and fits with the finials.	TBD
Foundation Repairs	Replace damaged and unsafe unreinforced masonry foundation with engineered cast in place concrete sections as necessary	35,000
Landscaping	Replace existing landscaping with growth appropriate to the residence. Includes removal/relocation of rooting plants contributing to foundation damage and new irrigation systems.	15,000

201 Buchanan: Waller Street facade and adjacent residence. Note the sheltered western facade.

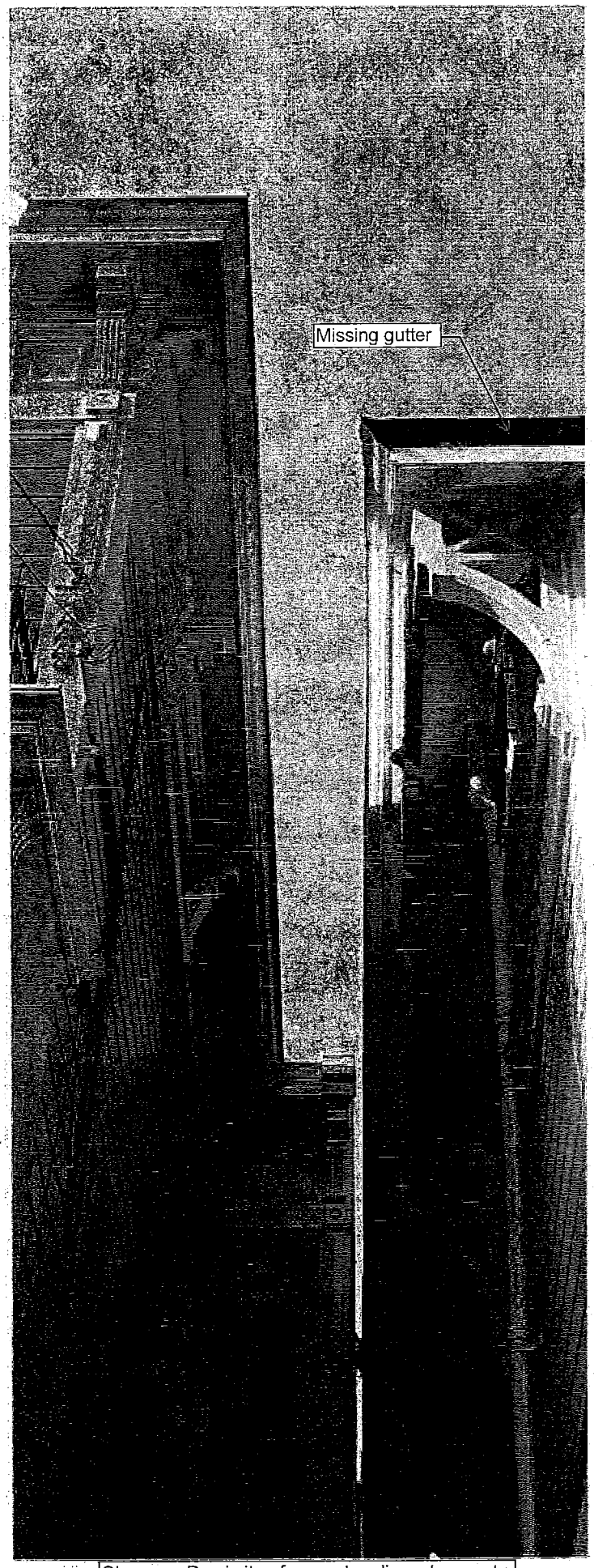




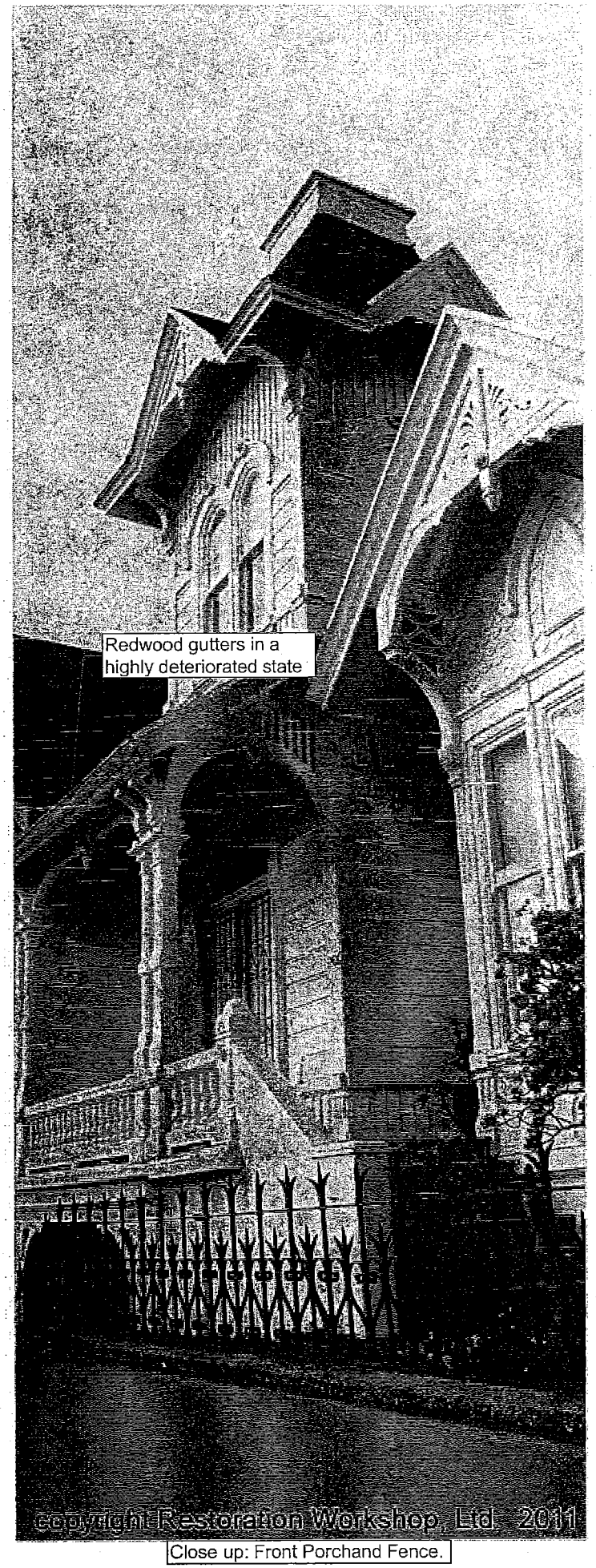
201 Buchanan Street: Eastern facade



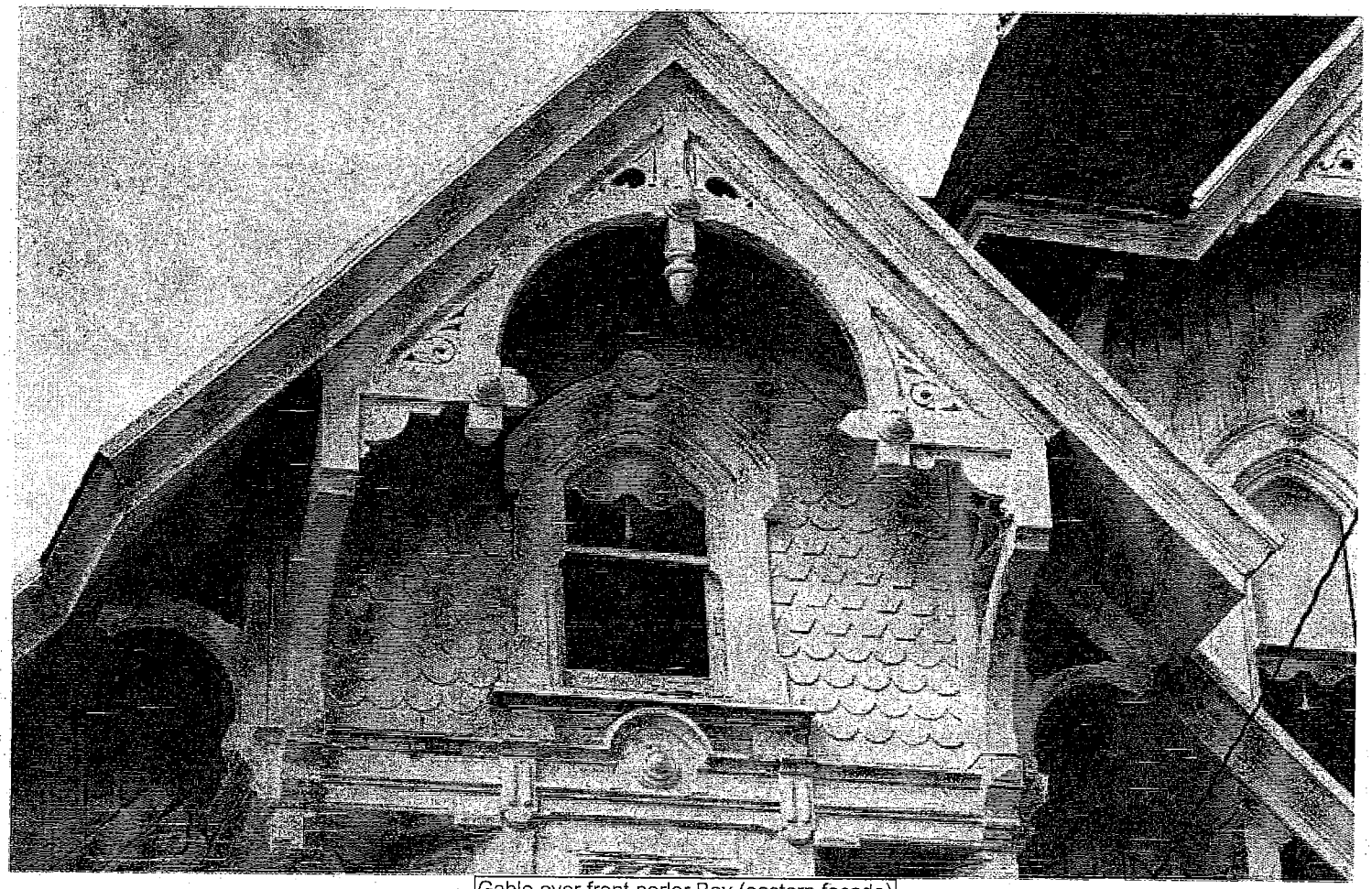
201 Buchanan Street: South elevation, non-historic addition and rear fence.



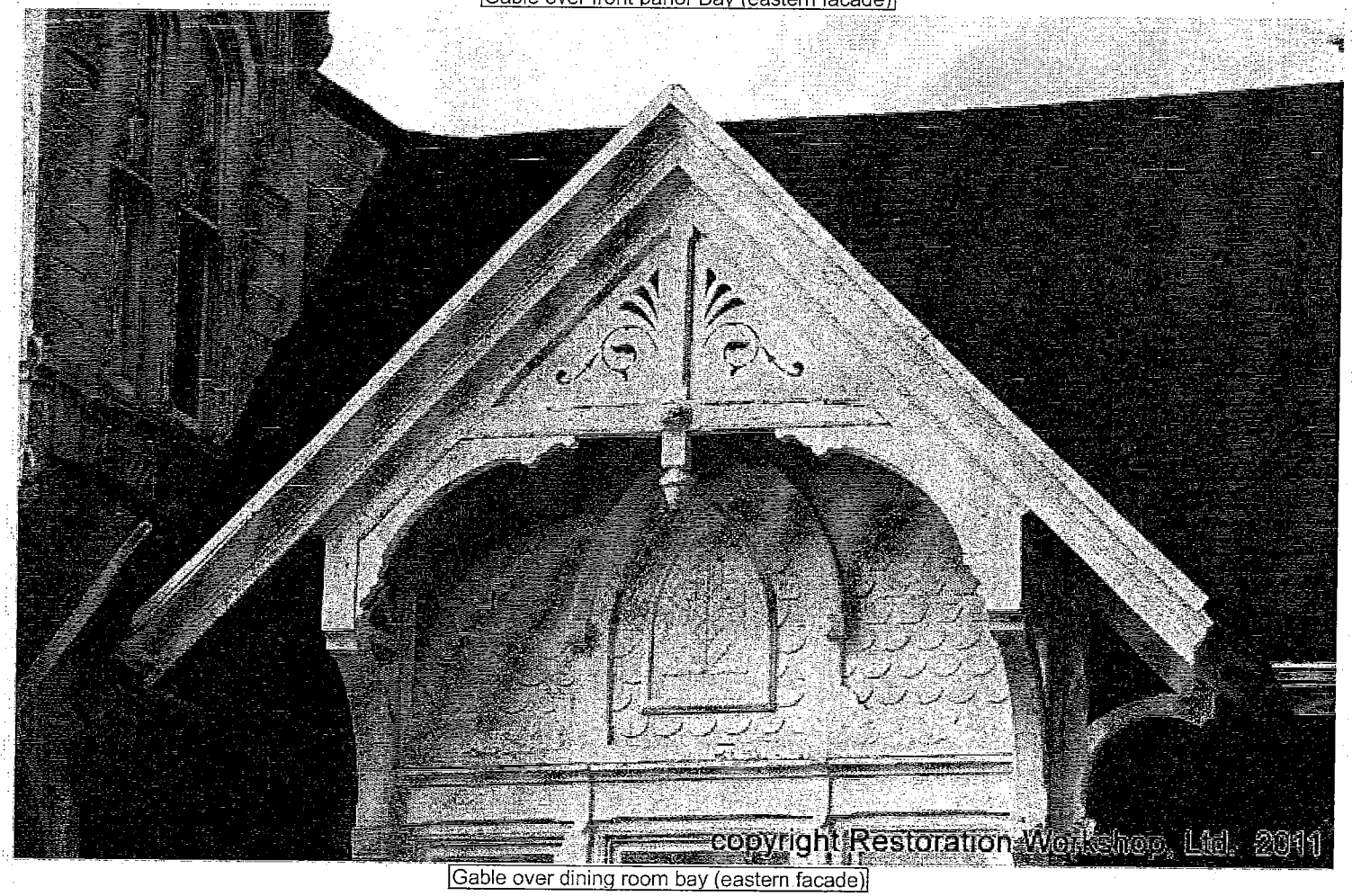
Close up: Proximity of eaves to adjacent property.



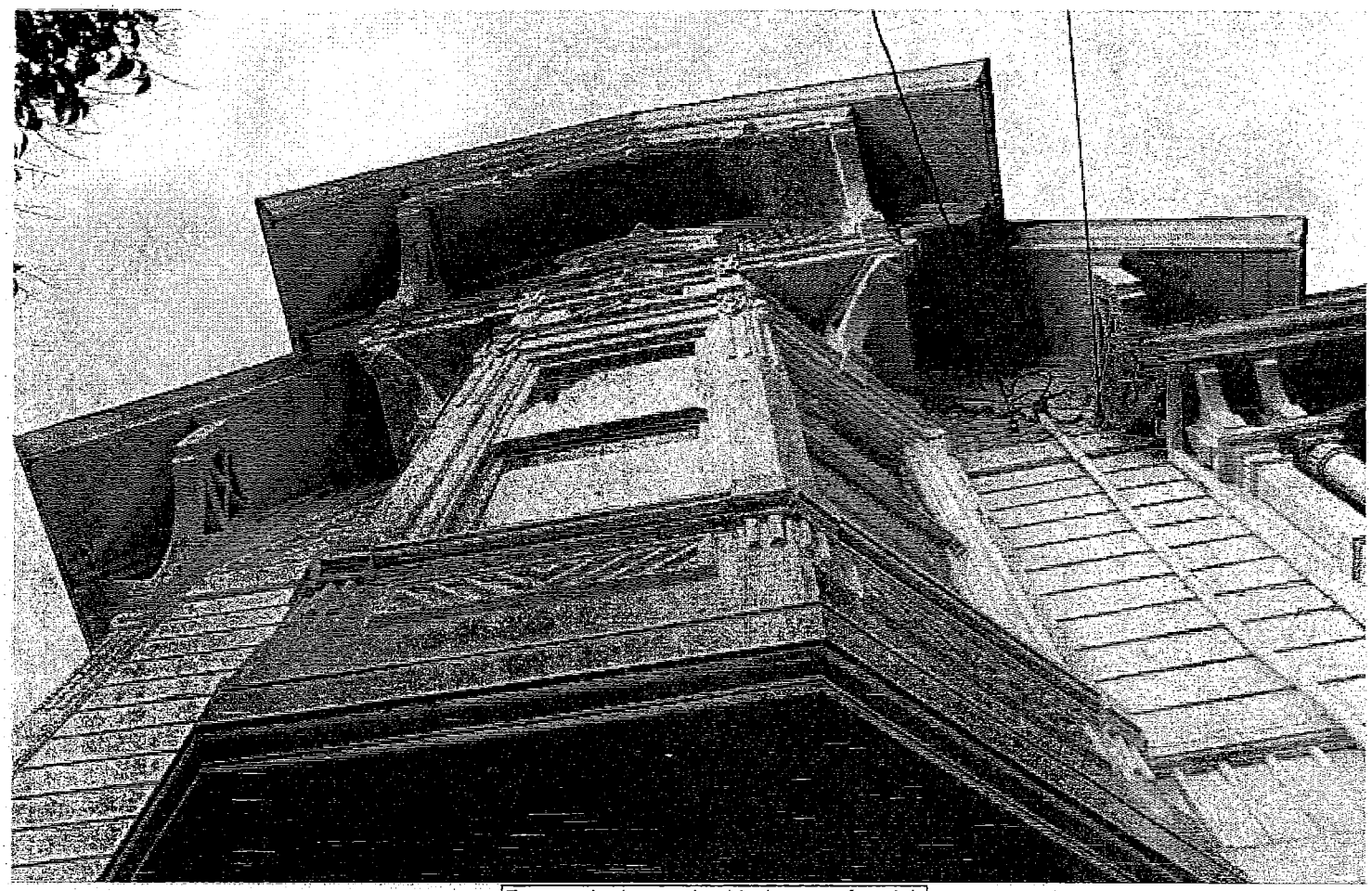
Close up: Front Porchand Fence.



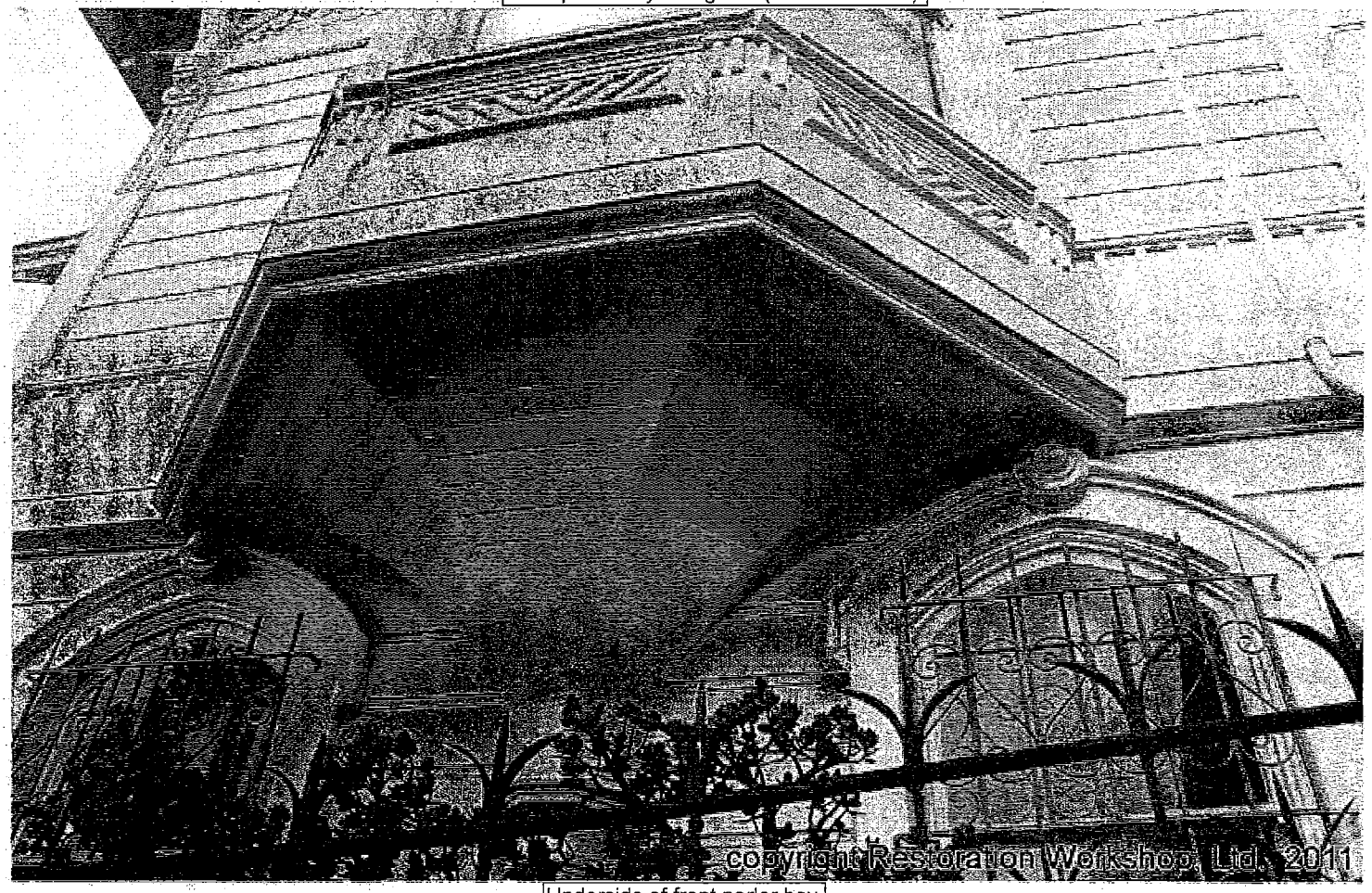
Gable over front parlor Bay (eastern facade)



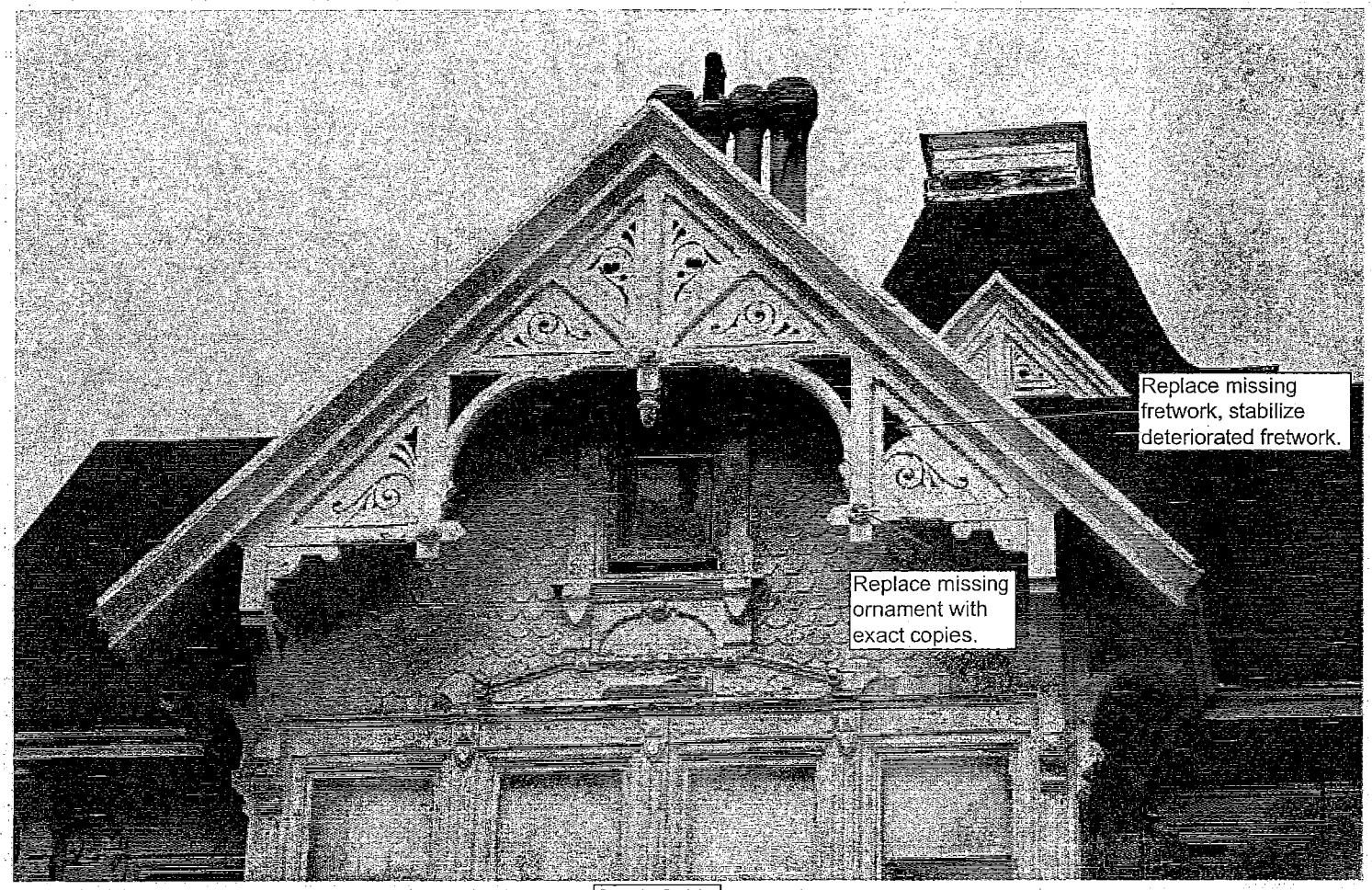
Gable over dining room bay (eastern facade)



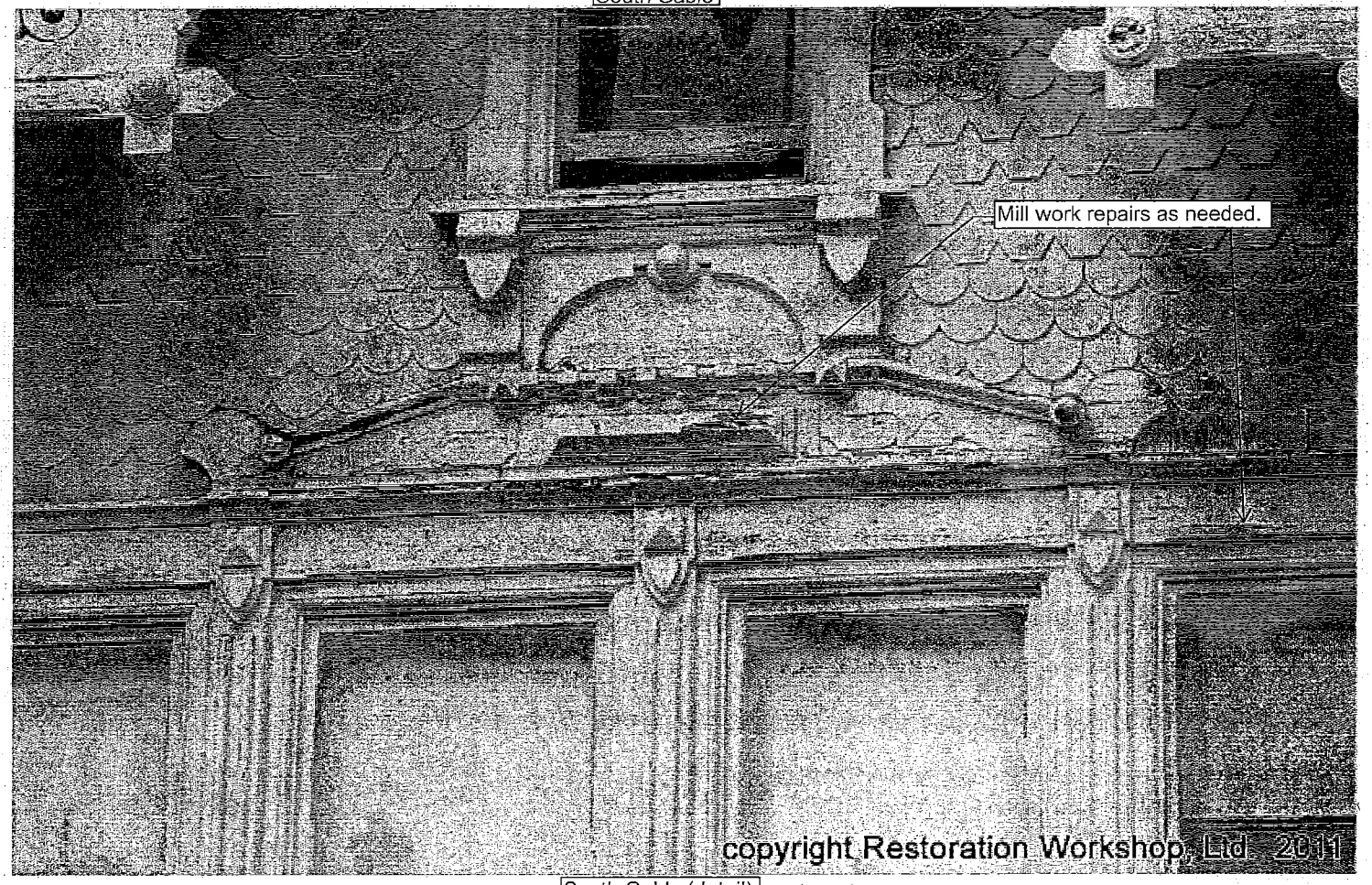
Front parlor bay and gable (eastern facade)



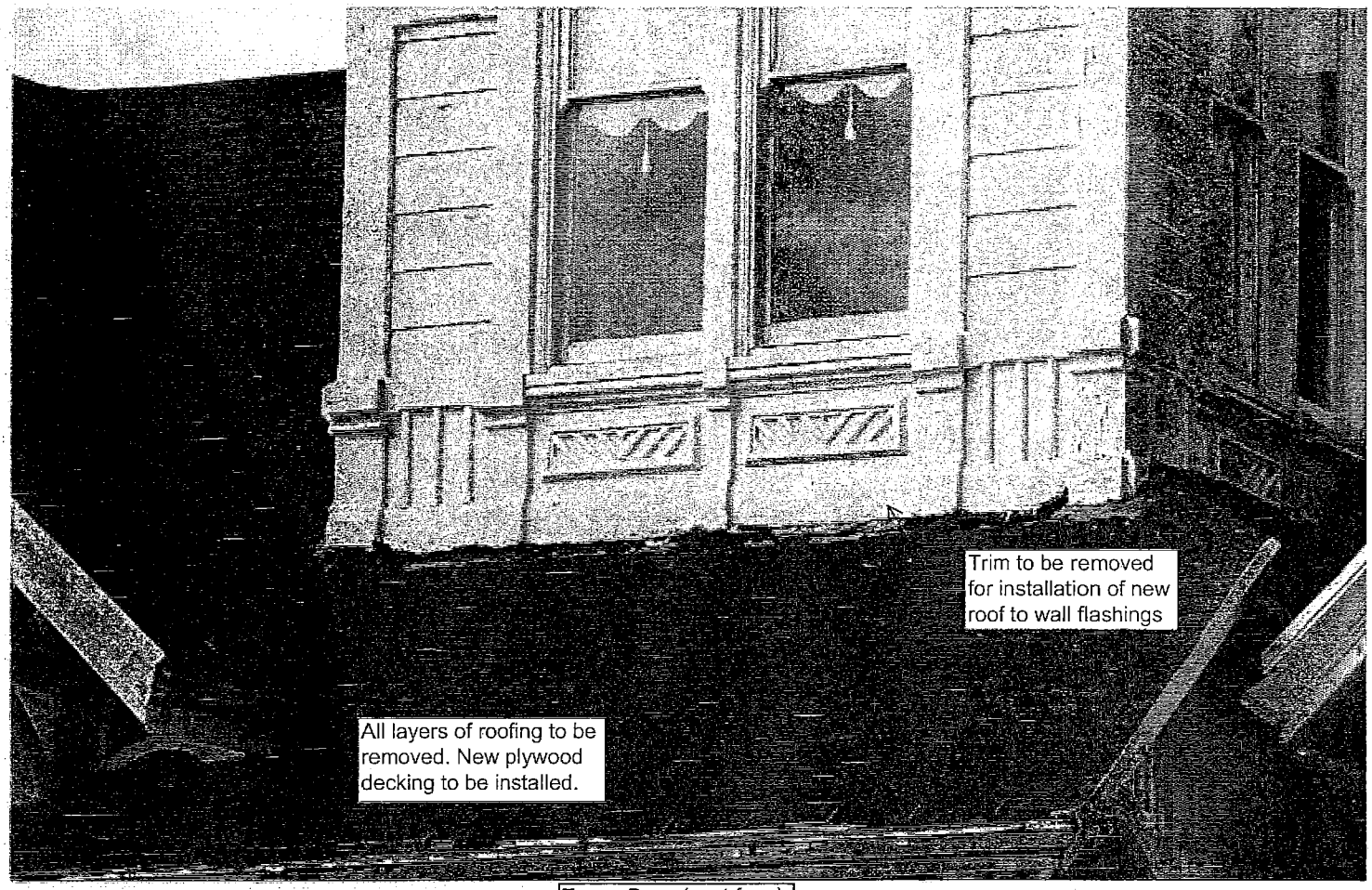
Underside of front parlor bay



South Gable

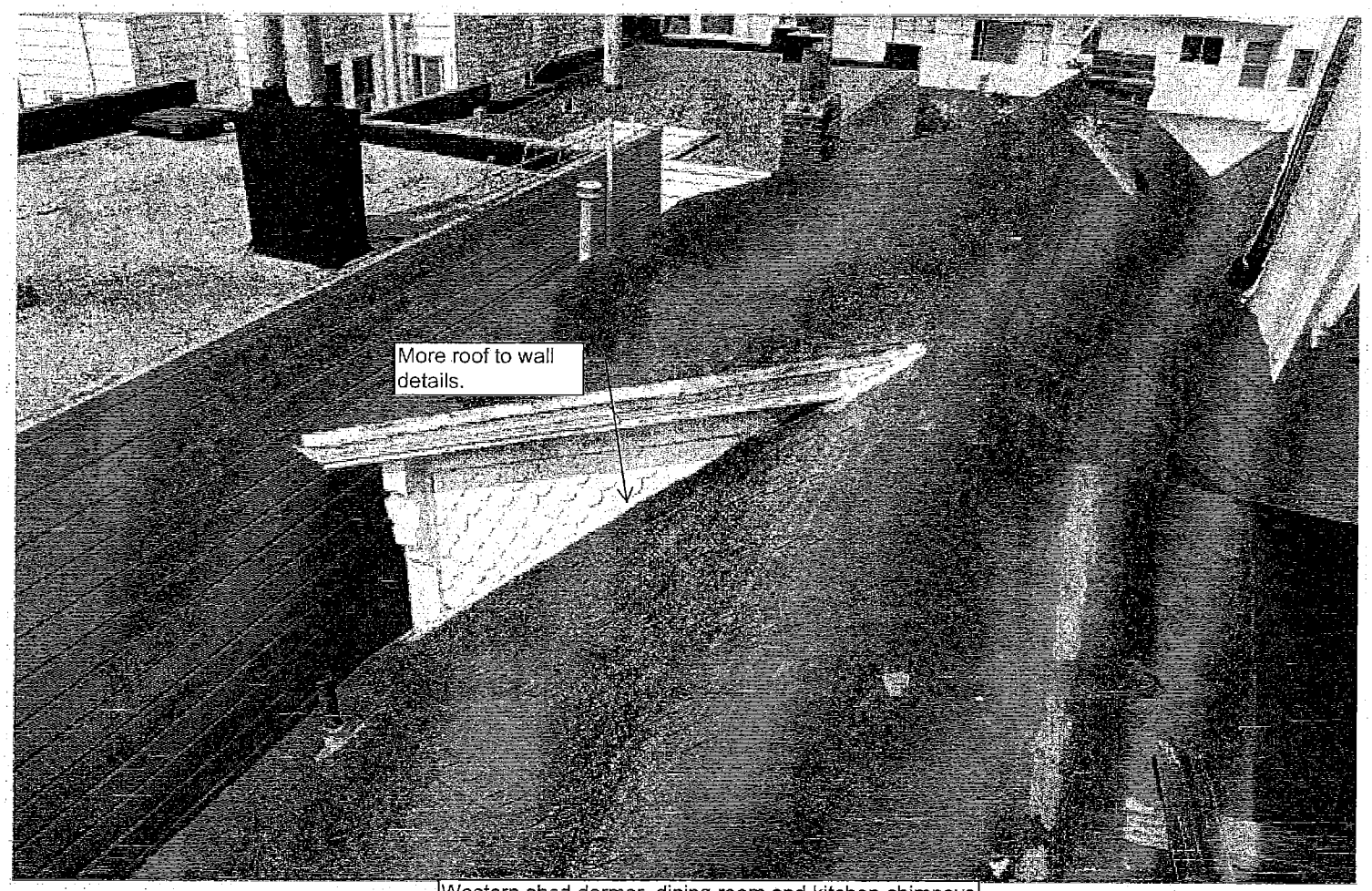


South Gable (detail)

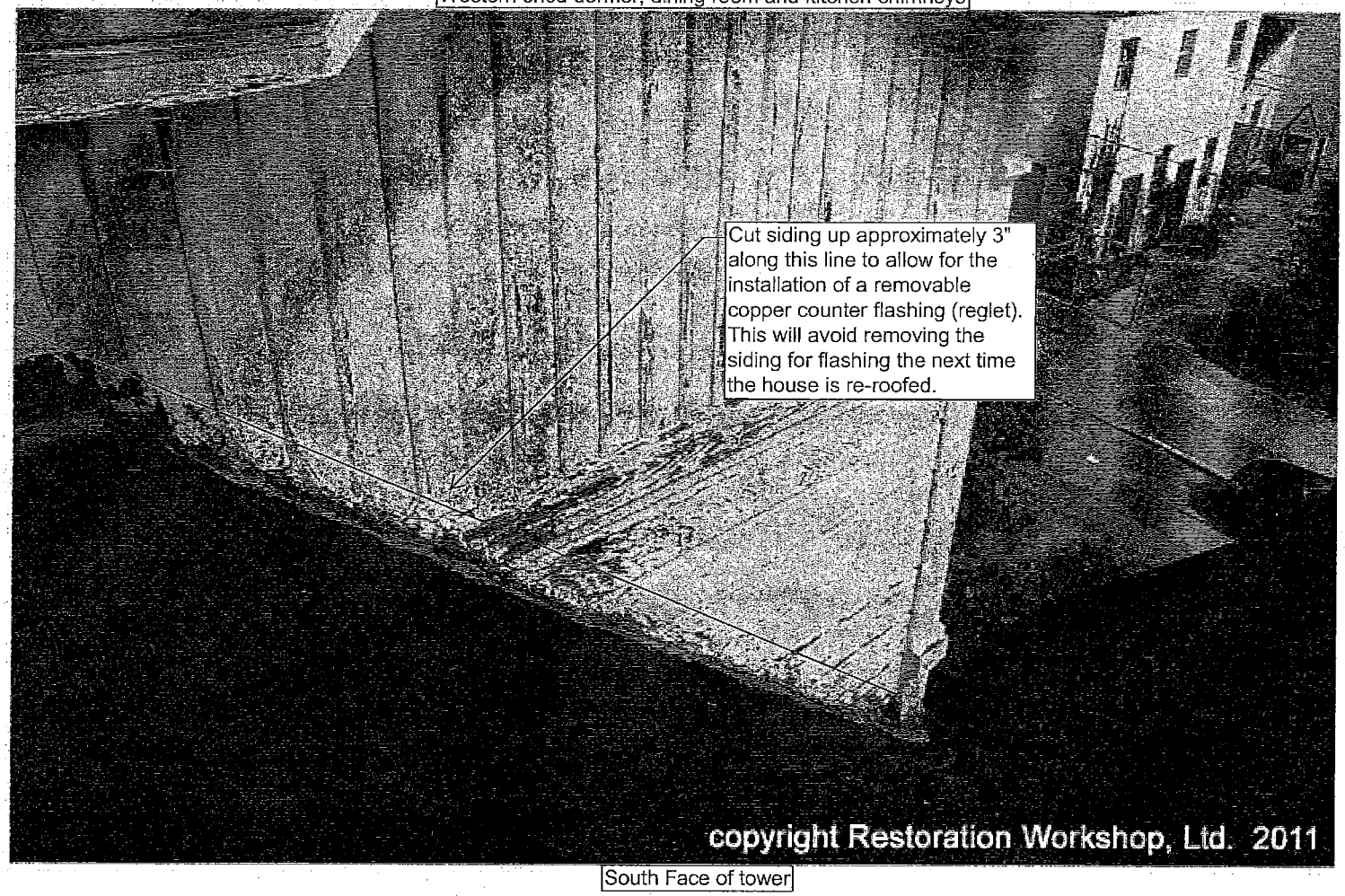


Tower Base (east face)

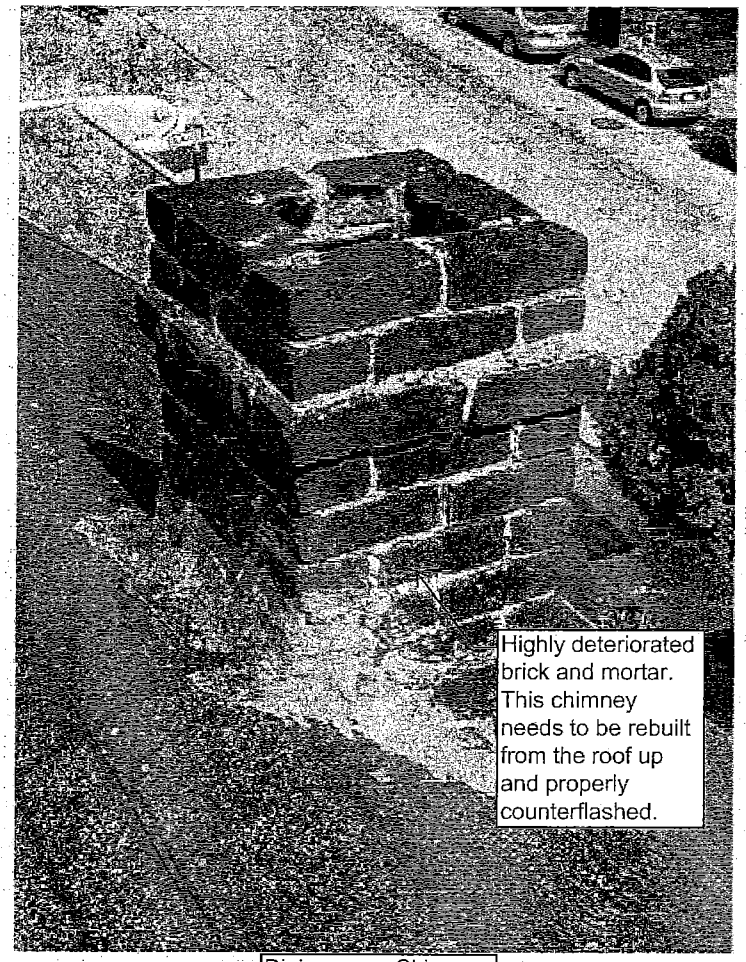
Porch and Main Entrance



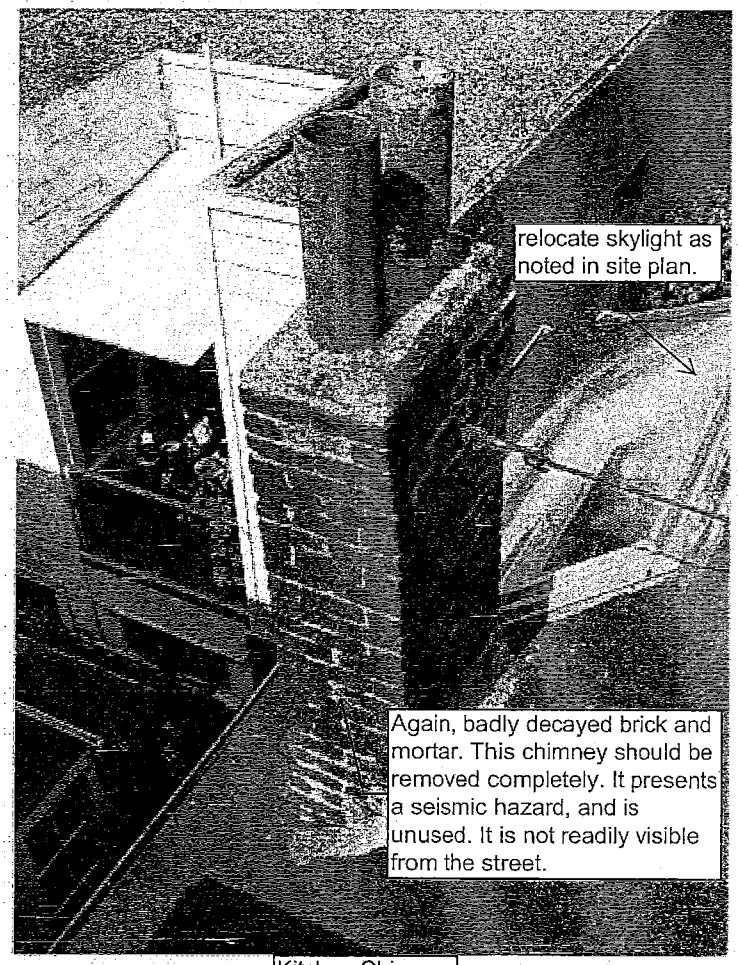
Western shed dormer, dining room and kitchen chimneys



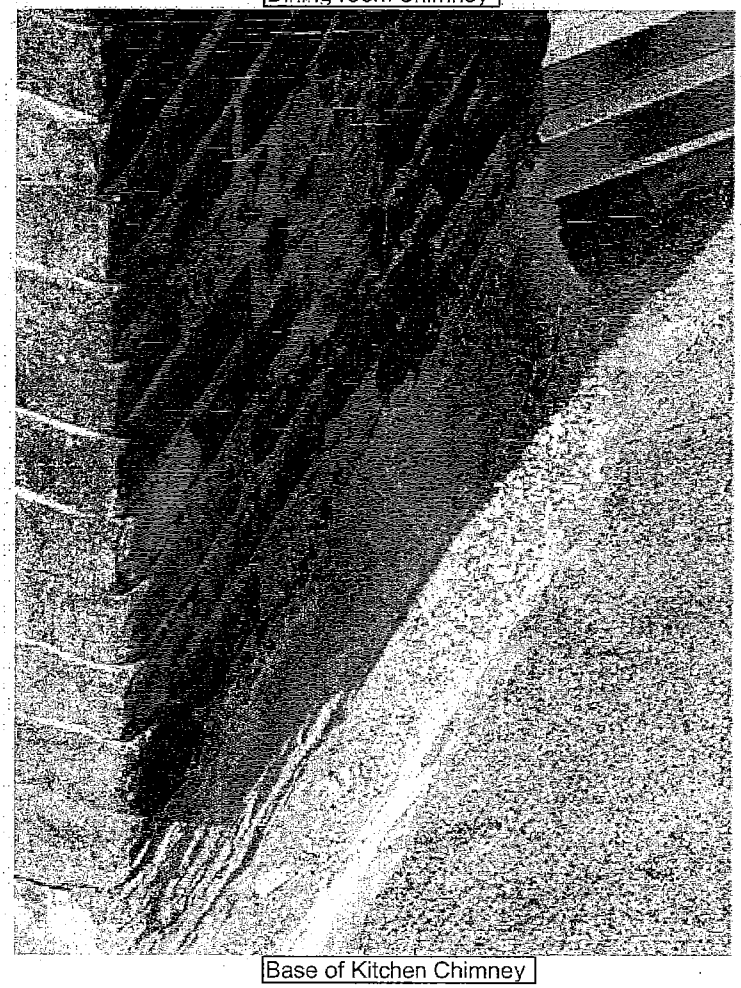
South Face of tower



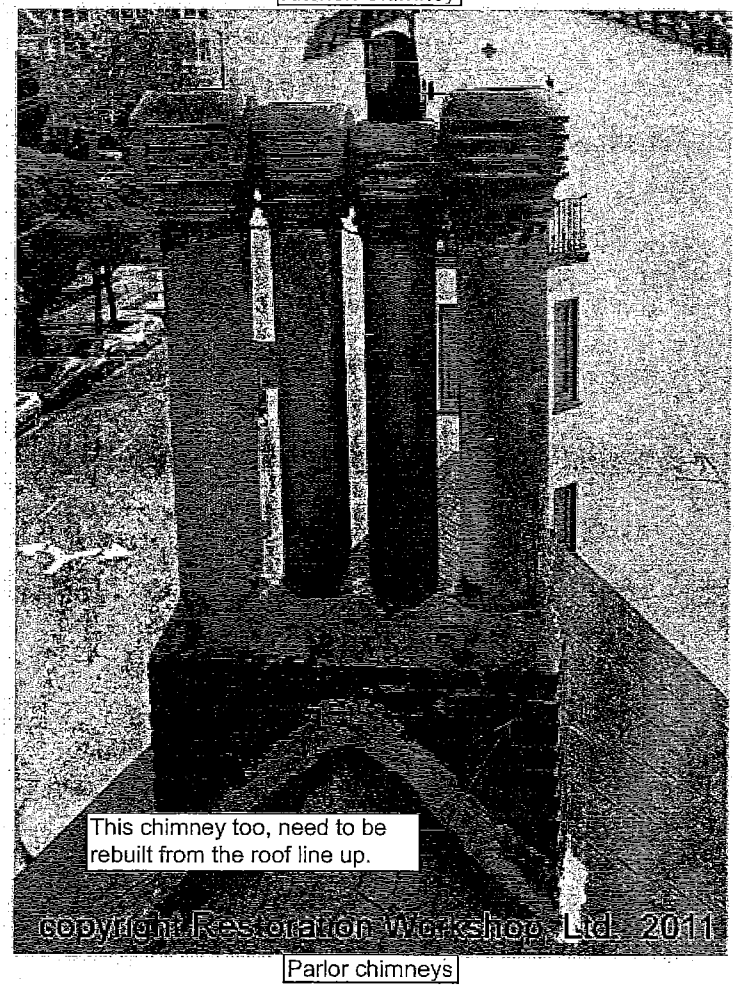
Dining room Chimney



Kitchen Chimney

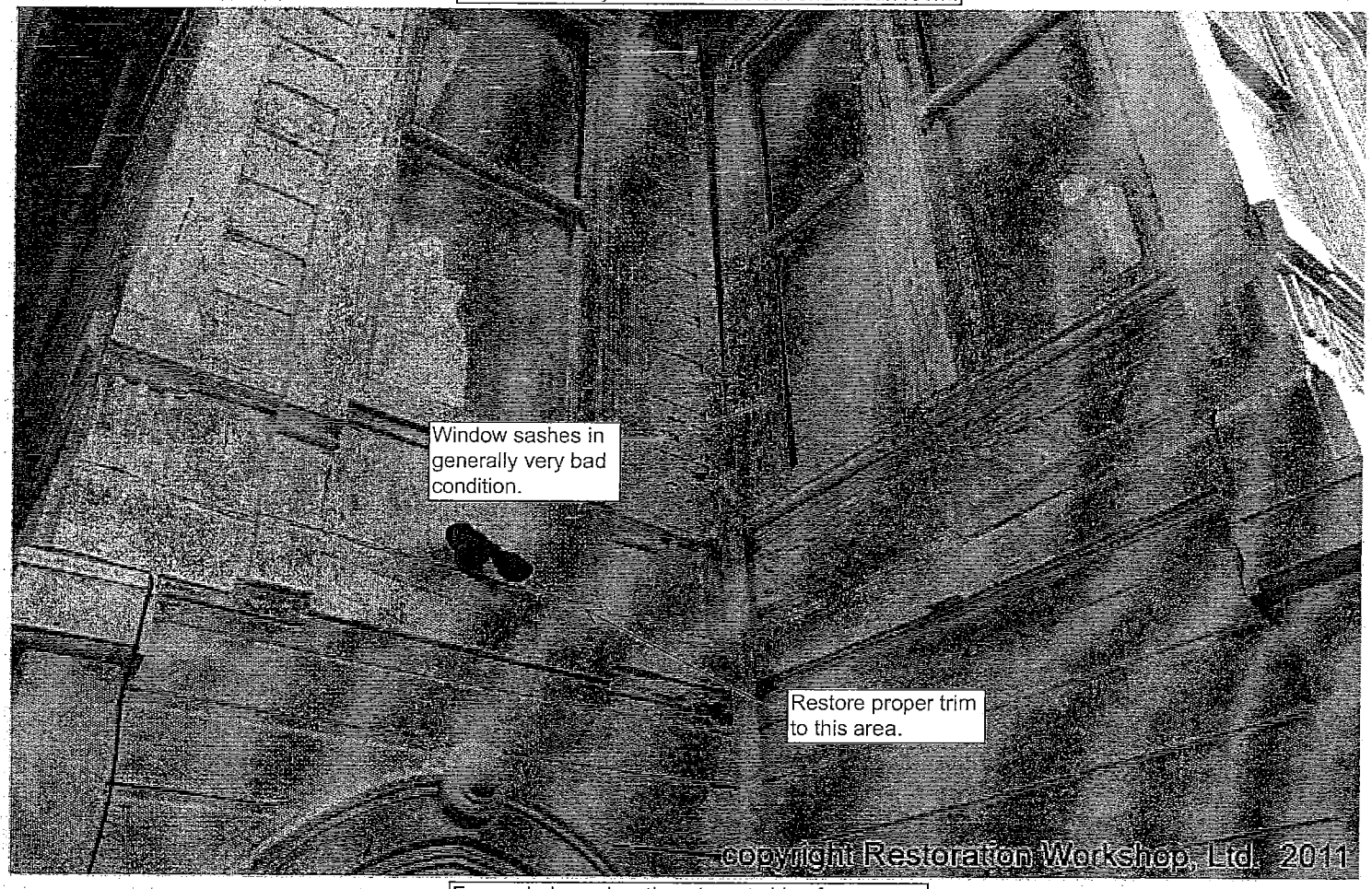


Base of Kitchen Chimney

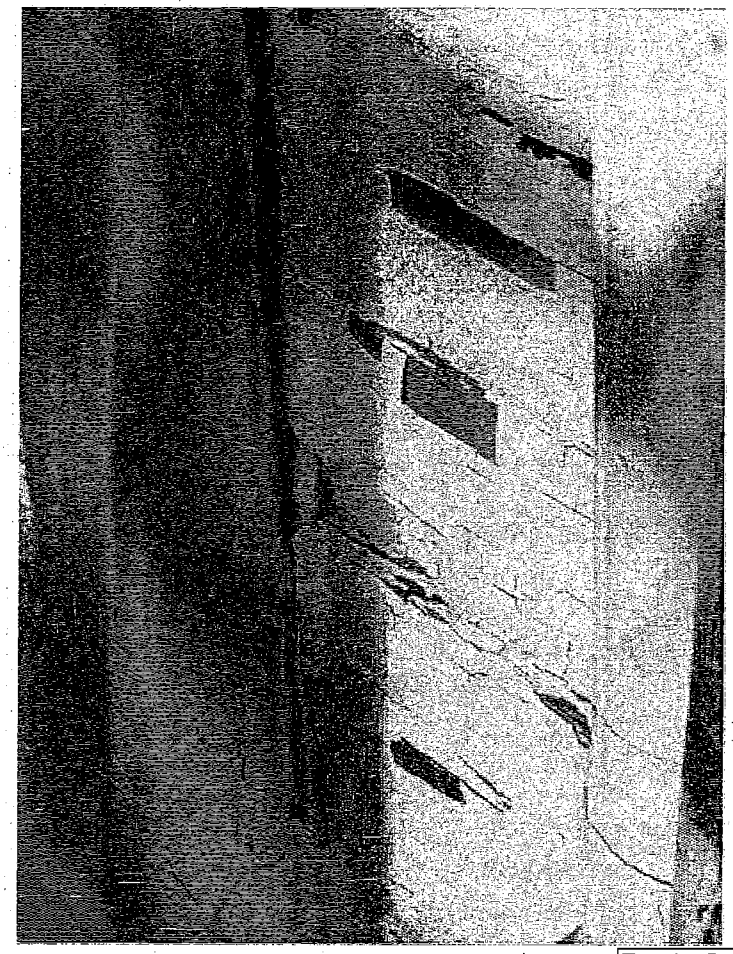


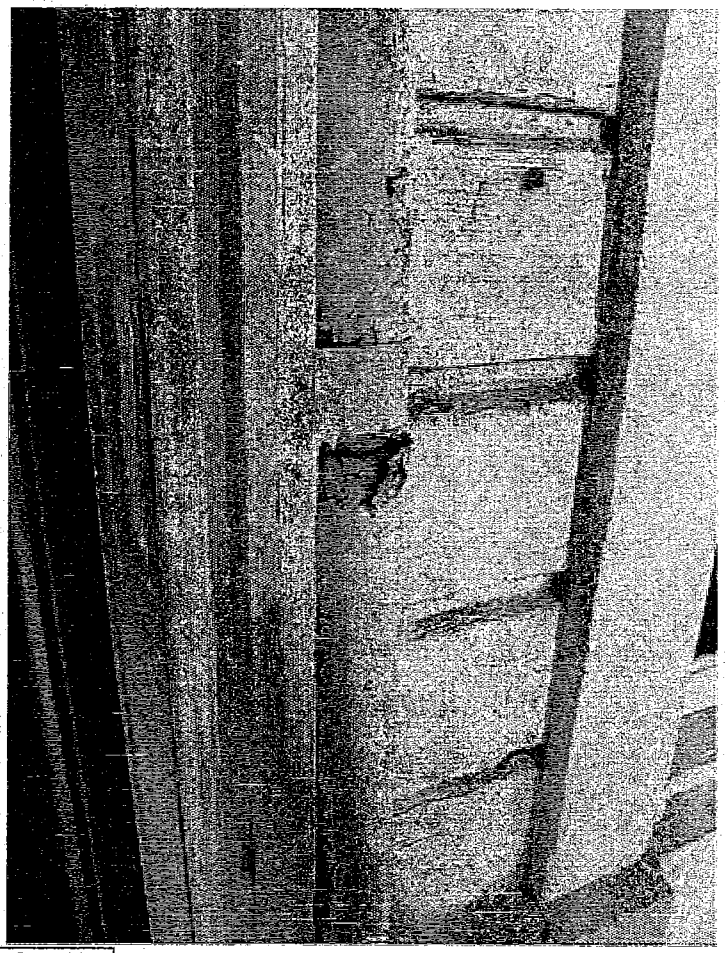
Parlor chimneys

Former Balcony location at eastern end of sun room.

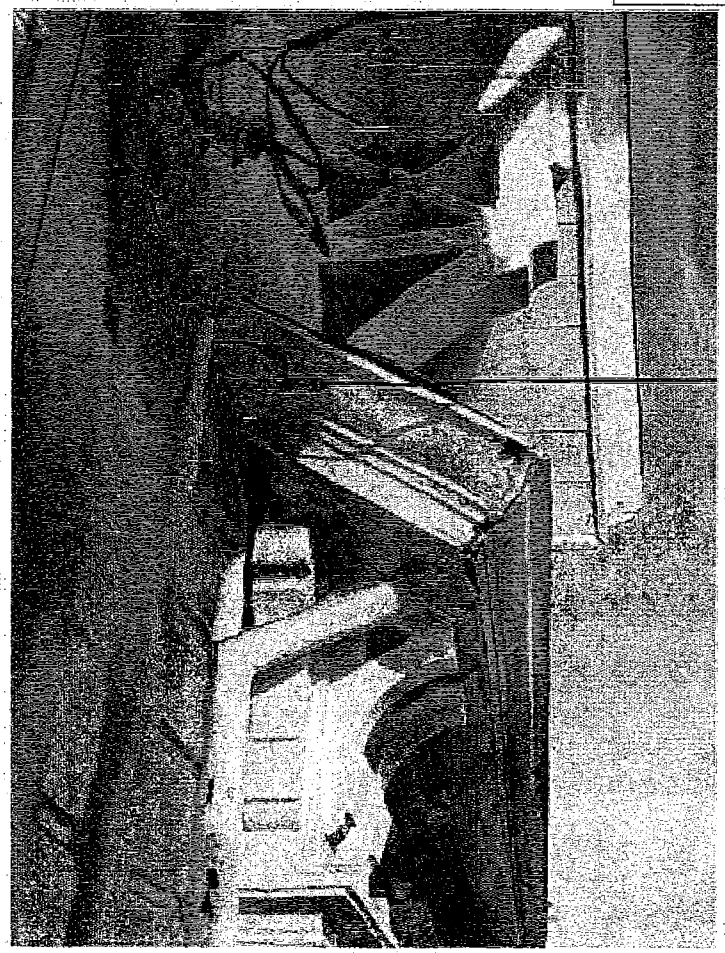


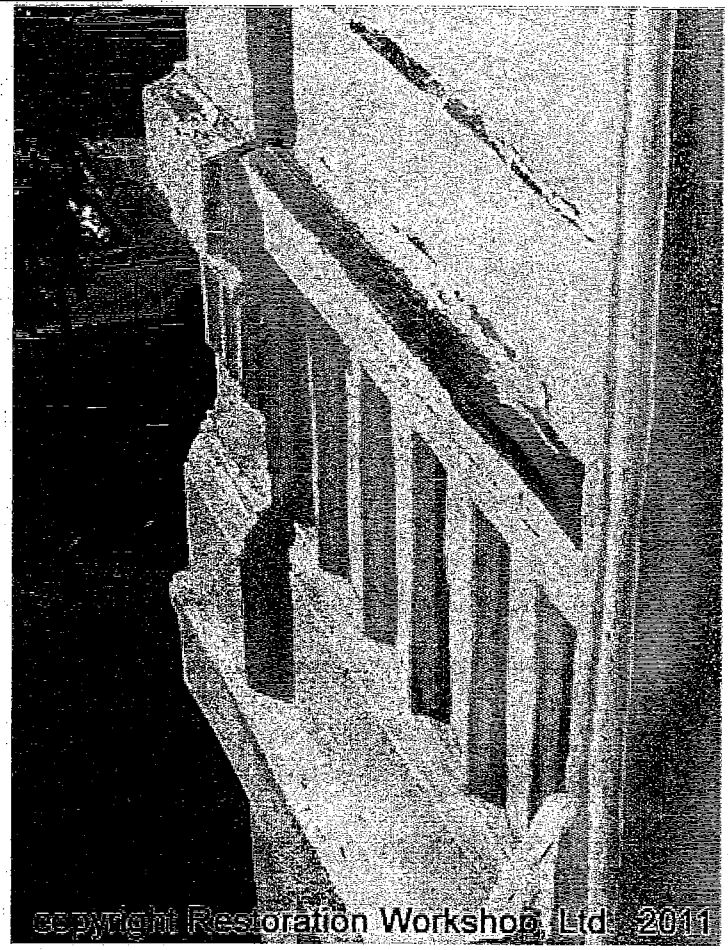
Former balcony location at west side of sun room.

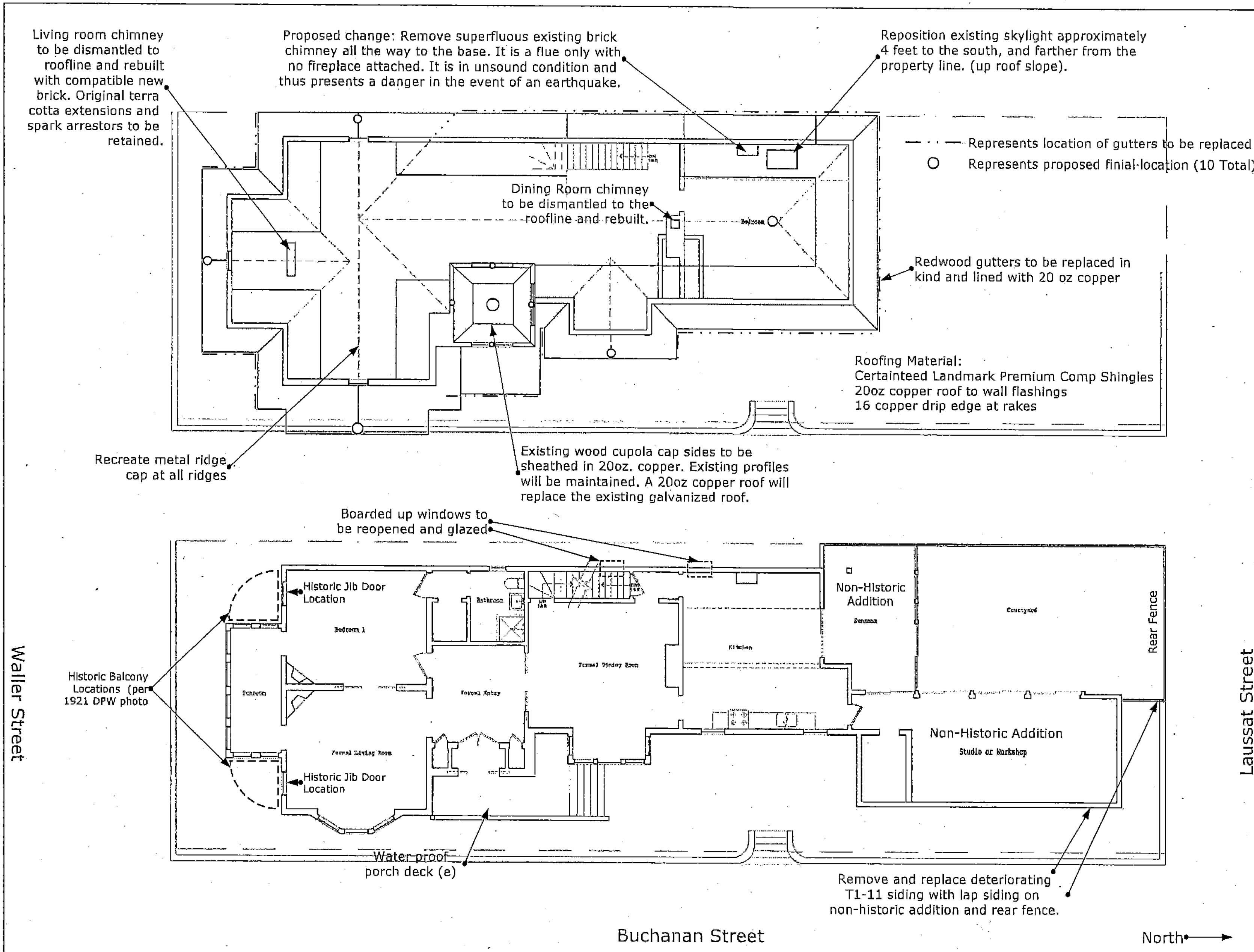




Exterior Paint Condition







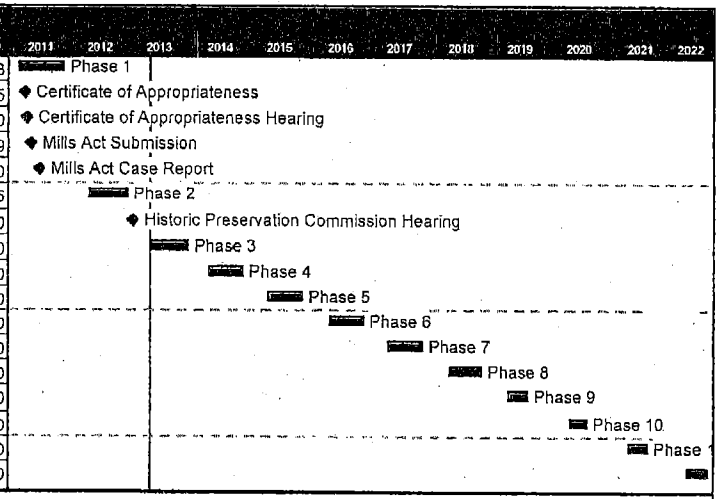
THE NIGHTINGALE HOUSE, 201 BUCHANAN, SAN FRANCISCO, CA

EXISTING FLOOR PLANS

SETH BROOKSHIRE DESIGN CONSULTING

SHEET NO. A1

Act ID	Phase	Description	Early Start	Early Finish	Budgeted Cost	Actual Cost to Date
1000	Phase 1	Roof, gutters, drainage, chimneys, restore tower	01MAR11 A	30NOV11 A	250,000	354,113
1002	Certificate of Appropriateness	Inclusive of Planning Department Phase 1 review	04APR11 A		0	9,315
1004	Certificate of Appropriateness Hearing		20APR11 A		0	0
1006	Mills Act Submission		17MAY11 A		0	9,159
1008	Mills Act Case Report		08JUL11 A		0	0
1010	Phase 2	Sun decks, lighting, windows, foundation rpr	01MAY12 A	31DEC12 A	24,586	85,945
1015	Historic Preservation Commission Hearing		16JAN13 A		0	0
1020	Phase 3	Restore East elevation and windows	02MAY13 A	30DEC13	200,000	0
1030	Phase 4	Restore South elevation and windows	29APR14 *	26NOV14	175,000	0
1040	Phase 5	Restore West elevation and windows	29APR15 *	25NOV15	100,000	0
1050	Phase 6	Restore North elevation and windows	02MAY16 *	29NOV16	100,000	0
1060	Phase 7	Restore studio addition	28APR17 *	27NOV17	200,000	0
1070	Phase 8	Fencing, decorative accents, grounds,landscaping	01MAY18 *	27NOV18	100,000	0
1080	Phase 9	Commence ongoing maintenance	03MAY19 *	06SEP19	15,000	0
1090	Phase 10	Ongoing maintenance	29APR20 *	02SEP20	15,000	0
1100	Phase 11	Ongoing maintenance	30APR21 *	03SEP21	15,000	0
1110	Phase 12	Ongoing maintenance	28APR22 *	01SEP22	15,000	0



Start date	01JAN11
Finish date	01SEP22
Data date	01MAY13
Run date	29APR13
Page number	1A

APS Professional Consulting
Nightingale Residence

Early bar
Progress bar
Critical bar
Summary bar
Start milestone point
Finish milestone point