



November 25, 2014

President David Chiu  
San Francisco Board of Supervisors  
San Francisco City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

RE: AGENDA #22, 23, 24 - Mills Act Historic Property Contracts for 68 Pierce St., 563-567 Waller St., and 621 Waller St.

Dear President Chiu and Members of the Board:

On behalf of San Francisco Heritage (Heritage), thank you for the opportunity to comment on the pending Mills Act Contracts for 68 Pierce Street, 563-567 Waller Street, and 621 Waller Street. All three residential properties are contributors to the Duboce Park Landmark District, characterized by one of most intact collections of modest Victorian homes in San Francisco.

Approval of the Mills Act Historical Property Contracts for the aforementioned properties will help property owners cover the cost of maintaining and repairing their homes for the benefit of the public. The Mills Act is the single most important economic incentive program in California for historic preservation. Not only is this incentive program a proven tool for protecting the physical character of historic neighborhoods, but Heritage feels that it has great potential for helping prevent displacement of Legacy Businesses and cultural heritage assets located in historic buildings.

Although the Mills Act program is tremendously popular throughout the state — with several hundred contracts in Los Angeles and San Diego, respectively — its benefits have proven elusive to historic property owners in San Francisco until recently. The local Mills Act program was amended in 2012 to improve access by owners of historic properties to tax credit under the state program. Heritage strongly supported the 2012 amendments, which streamlined the qualification process for all owners regardless of income level. The 2012 amendments also imposed valuation caps on eligible applicant properties that trigger heightened scrutiny by the Board of Supervisors.

Heritage has reviewed each of the Mills Act applications in question and concurs with the Historic Preservation Commission and the Planning Department that the proposed rehabilitation and maintenance plans for each property comply with the *Secretary of the Interior's Treatment of Historic Properties*. As such, we strongly urge the Board of Supervisors to approve the proposed Mills Act Historical Property Contracts before you today.

Sincerely,

Mike Buhler  
Executive Director