File No.	101450	Committee Item No	. 2
		Board Item No	0

COMMITTEE/BOARD OF SUPERVISORS

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Completed	by: Alisa SomeraDate	Nove	ember 19, 2010
	by: Alisa Somera Date	D⊕ce	mber 1, 2010

An asterisked item represents the cover sheet to a document that exceeds 25 pages.

The complete document can be found in the file.

[Temporary Preservation Easement - Bayview Opera House - 4705 Third Street]

Resolution approving a temporary preservation easement affecting a City building located at 4705 Third Street, commonly known as the Bayview Opera House.

WHEREAS, The City and County of San Francisco (City) owns real property that is located at 4705 Third Street in San Francisco, California, and under the jurisdiction of the City's Arts Commission; and

WHEREAS, The City, acting by and through the Arts Commission, leases the building located on such property and commonly known as the Bayview Opera House (Building) to Bayview Opera House, Inc., a California nonprofit corporation (Tenant), under a Lease dated, for reference purposes only, as of July 1, 2009; and

WHEREAS, Tenant has received a \$197,535 grant from the National Park Service (NPS) under a Grant Agreement No. 06-04-ML-0099 (NPS Grant), and Tenant has used the NPS Grant to perform Building improvement work; and

WHEREAS, The NPS Grant requires the grant of a 50-year preservation easement protecting the historical building features of the Building (Easement) to the San Francisco Architectural Heritage, a California nonprofit corporation (SFAH), which is authorized and qualified to accept charitable gifts or easements for the purpose of preserving buildings, structures, or sites of historical, architectural or cultural significance; and

WHEREAS, The NPS Grant requires that the Building be nominated for placement on the National Register of Historic Places, and Tenant submitted an application for such nomination to the California State Office of Historic Preservation on August 31, 2010; and

WHEREAS, Tenant will use a portion of the NPS Grant to pay the \$15,000 preservation easement fee that SFAH requires to accept the Easement and Tenant has requested that City grant the Easement to the SFAH; and

WHEREAS, On September 13, 2010, the Arts Commission adopted Resolution No. 0913-10-258 to approve of the grant of the Easement through a Conservation Agreement (Agreement), a copy of which is on file with the Clerk of the Board of Supervisors in File No. 101450, and is hereby declared to be a part of this Resolution as if set forth fully herein, and to authorize the Executive Director of the Arts Commission to request approval of the Agreement by the City's Historic Preservation Commission, and the City's Board of Supervisors, which resolution is on file with the Clerk of the Board of Supervisors in File No. 101450, and is hereby declared to be a part of this Resolution as if set forth fully herein; and

WHEREAS, On September 15, 2010, the City's Historic Preservation Commission adopted Resolution No. 654 (HPC Resolution) to recommend that the Board of Supervisors grant the Easement through the Agreement to SFAH, which resolution is on file with the Clerk of the Board of Supervisors in File No. 101450, and is hereby declared to be a part of this Resolution as if set forth fully herein; and

WHEREAS, The Historic Preservation Commission determined that the grant of the Easement through the Agreement is consistent with the City's General Plan and Eight Priority Policies of City Planning Code Section 101.1, as further described in the HPC Resolution, and the Board of Supervisors adopts as its own and incorporates by reference such determination; and

WHEREAS, The City's Planning Department determined that the grant of the Easement through the Agreement is categorically exempt from environmental review under the California Environmental Quality Act, which determination is on file with Clerk of the Board of Supervisors under File No. 101450 and is incorporated herein by reference, and the

Board of Supervisors adopts as its own and incorporates by reference such determination; and

WHEREAS, The Board of Supervisors has determined that the public interest will not be inconvenienced by the grant of the Easement through the Agreement and such grant will further a proper public purpose: now, therefore, be it

RESOLVED, That the Board of Supervisors hereby authorizes the Director of Property and the Executive Director of the Arts Commission, on behalf of the City and County of San Francisco, to execute and deliver the Agreement and take any and all actions which both the Director of Property and the Executive Director of Cultural Affairs, in consultation with the City Attorney, determine are in the best interest of the City, do not materially increase the obligations of the City or materially decrease the benefits to the City, are necessary or advisable to consummate the performance of the purposes and intent of this Resolution, and comply with all applicable laws, including the City's Charter, including any modifications or amendments to the Agreement.

BOARD of SUPERVISORS



City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

November 19, 2010

File No. 101450

Bill Wycko Environmental Review Officer Planning Department 1650 Mission Street, 4th Floor San Francisco, CA 94103

Dear Mr. Wycko:

On November 16, 2010, Supervisor Maxwell introduced the following proposed legislation:

File No. 101450

Resolution approving a temporary preservation easement affecting a City building located at 4705 Third Street, commonly known as the Bayview Opera House.

The legislation is being transmitted to you for environmental review, pursuant to Planning Code Section 306.7(c).

Angela Calvillo, Clerk of the Board

Alixalomera

By: Alisa Somera, Committee Clerk

Land Use & Economic Development Committee

Attachment

c: Nannie Turrell, Major Environmental Analysis Brett Bollinger, Major Environmental Analysis Mola project. Hol Subject to CEQAper CEQA Guidelines Section 15068(c) (2). **RESOLUTION NO. 0913-10-258:** Motion to authorize the San Francisco Arts Commission to enter into a 50-year preservation easement with San Francisco Architectural Heritage, a California nonprofit corporation, to protect the historical features of the Bayview Opera House.

Resolution authorizing the San Francisco Arts Commission to grant a temporary preservation easement affecting the Bayview Opera House to the San Francisco Architectural Heritage.

WHEREAS, The City and County of San Francisco (the "City") owns the real property located at 4705 Third Street in San Francisco, California, which is under the jurisdiction of the City's Arts Commission; and

WHEREAS, The City, acting by and through the Arts Commission, leases the building located on such property and commonly known as the Bayview Opera House (the "Building") to Bayview Opera House, Inc., a California nonprofit corporation ("Tenant"), pursuant to a Lease dated for reference purposes only as of July 1, 2009; and

WHEREAS, Tenant has received a \$197,535 grant from the National Park Service ("NPS") pursuant to Grant Agreement No. 06-04-ML-0099 (the "NPS Grant"), and Tenant has used the NPS Grant funds to perform certain Building improvement work; and

WHEREAS, The NPS Grant requires that a 50-year preservation easement protecting the historical building features of the Building (the "Easement") be granted to the San Francisco Architectural Heritage, a California nonprofit corporation ("SFAH"), which is authorized and qualified to accept charitable gifts or easements for the purpose of preserving buildings, structures, or sites of historical, architectural or cultural significance; and

WHEREAS, The NPS Grant requires that the Building be nominated to be placed on the National Register of Historic Places and Tenant submitted an application for such nomination to the California State Office of Historic Preservation on August 31, 2010; and

WHEREAS, Tenant will use NPS Grant funds to pay the \$15,000 preservation easement fee that SFAH requires to accept the Easement and Tenant has requested that City grant the Easement to the SFAH; and

WHEREAS, On August 2, 2010, the Arts Commission adopted a motion directing the Director of Cultural Affairs to submit the Easement terms to the Arts Commission if the Director of Cultural Affairs approved the Easement terms negotiated by Arts Commission staff and SFAH; and

WHEREAS, The Director of Cultural Affairs approves the negotiated terms for the Easement in the form of a Conservation Easement, which is on file with the Secretary of the Arts Commission and is incorporated herein by reference (the "Agreement"); now, therefore, be it

RESOLVED, That the Arts Commission hereby approves the Agreement and authorizes the Director of Cultural Affairs to request approval of the Agreement by the City's Historic Preservation Commission, and the City's Board of Supervisors; and be it

FURTHER RESOLVED, That if the City's Historic Preservation Commission and the City's Board of Supervisors approve the Agreement and the City's Board of Supervisors authorizes the Director of Cultural Affairs to execute and deliver the Agreement and take any and all actions which the Director of Cultural Affairs, in consultation with the City Attorney and any other person specified by the City's Board of Supervisors, determines are in the best interest of the City, do not materially increase the obligations of the City or materially decrease the benefits to the City, are necessary or advisable to consummate the performance of the purposes and intent of this Resolution, and comply with all applicable laws, including the City's Charter, including any modifications or amendments to the Agreement.

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RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

San Francisco Architectural Heritage 2007 Franklin Street San Francisco, California 94109

CONSERVATION EASEMENT

THIS CONSERVATION EASEMENT, dated for reference purposes only as of October 1, 2010 (the "Effective Date"), is by and between the City and County of San Francisco, a municipal corporation ("City"), and San Francisco Architectural Heritage, a California nonprofit corporation ("Grantee").

RECITALS

- A. City is the record owner of certain real property located at 4705 Third Street, in the City and County of San Francisco, State of California, and more particularly described on <u>Exhibit A</u>, which is attached hereto and incorporated herein by this reference (the "Land"). The Land is currently improved with a multistory building known as the Bayview Opera House (the "Building").
- B. The Building is of architectural, historical significance containing the features (the "Features") described and depicted on Exhibit B, which is attached hereto and incorporated herein by this reference.
- C. The Building is currently leased by Bayview Opera House, Inc., a California non-profit corporation ("Tenant"), pursuant to a Lease dated for reference purposes only as of July 1, 2009, and the National Park Service ("NPS") provided a \$197,535 grant to Tenant under Grant Agreement No. 06-04-ML-0099 (the "NPS Grant").
- D. The NPS Grant funded certain Building improvement work performed by Tenant and, as a condition of the NPS Grant, NPS is requiring that the City grant a fifty (50) year conservation easement in and to the Features to Grantee.
- E. Grantee is a nonprofit corporation, as described in Section 501(c)(3) of the Internal Revenue Code and Section 23701d of the California Revenue and Taxation Code, authorized and qualified to accept charitable gifts or easements for the purpose of preserving buildings, structures, or sites of historical, architectural or cultural significance.
- F. City desires to grant to Grantee, and Grantee desires to accept from City, a conservation easement in and to the Features, on the terms and conditions hereinafter set forth.

NOW, THEREFORE, incorporating herein the foregoing recitals and in consideration of the mutual covenants and restrictions hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. <u>Grant of Easement: Term.</u> In consideration of the NPS Grant and for the purpose of preserving the Features, City hereby irrevocably grants and conveys to Grantee the conservation

easement described herein in and to the Features (the "Conservation Easement"). City furthermore subordinates any interest it has in the Land or the Building to the Conservation Easement, which City has granted and conveyed to Grantee in this instrument. The term of this Conservation Easement ("Term") shall commence on the date this Conservation Easement is recorded in the Official Records of San Francisco County (the "Effective Date"), and shall automatically terminate on the fiftieth (50th) anniversary of the Effective Date.

- 2. <u>Easement Required for NPS Grant</u>. This conservation easement is granted as a condition of the NPS Grant made to the Tenant, which was granted under the Historic Preservation Fund for the Save America's Treasures Grant Program. Tenant used the NPS Grant funds to perform certain improvements to the Building.
- 3. <u>Limitation on City's Actions without the Approval of Grantee</u>. In furtherance of the conservation easement herein granted, except for the actions described in <u>Section 5(A)</u> below, City hereby covenants and agrees that City shall have no right to do any of the following without the prior written consent of Grantee, which consent shall not be unreasonably withheld, delayed or conditioned:
- A. except to the extent otherwise permitted under <u>Section 5</u> below, make any change to the Features as they exist on the Effective Date, including, without limitation, any alteration, partial removal, construction, remodeling, physical or structural change, demolition, sandblasting or other forms of abrasive cleaning, or change in surfacing to the Features;
- B. expand the Building either vertically or horizontally, except as provided in Section 4 below;
- C. construct or place any new object or structure on the Land, including fences and gates, that materially obstructs the ability or opportunity of the public to view the Building from the public roads, streets or sidewalks that abut the Land ("Surrounding Right of Way"), but excluding any new object or structure that does not materially affect the Features and only materially obstructs views of the Building's non-historic exterior western or southern walls from the Surrounding Right of Way;
- D. dump any ashes, sawdust, trash, or rubbish on the Land to the extent that same are visible from public roads or streets, provided that City shall have the right to store any such items in properly maintained trash receptacles on the Land; and
- E. except to the extent otherwise permitted in <u>Section 10</u> below, make any repairs to or reconstruct the Features in the event of any casualty or damage to the Building, other than temporary emergency work to prevent further damage to the Building or to protect public safety.

City's Request for Grantee's Approval.

- A. <u>City's Request.</u> In order to obtain Grantee's approval for any of the actions set forth in <u>Section 3</u> above, City shall send a written notice to Grantee ("City's Notice") specifying in reasonable detail (i) the proposed action or actions which City desires to take (including the plans and specifications, if any, which City intends to utilize for the action(s) proposed by City), and (ii) the expected commencement date thereof. City's Notice shall be sent to Grantee at least sixty (60) days before the date specified for commencement of the proposed action(s).
- B. <u>Grantee's Reply</u>. Within thirty (30) days after receipt of City's Notice, Grantee shall send a written reply to City ("**Grantee's Reply**") in which Grantee shall approve or disapprove of the actions proposed in City's Notice. If Grantee does not send Grantee's Reply to City within said thirty (30) day period, Grantee shall be deemed to have approved the actions

specified in City's Notice. If Grantee approves of the actions proposed in City's Notice, Grantee may require that City deliver copies of the final plans and specifications for the work and all change orders thereto. Grantee may also impose other reasonable conditions on City's actions in undertaking an approved action, as Grantee deems necessary or desirable to ensure the action will meet the Secretary of the Interior's Standards for the Treatment of Historic Properties (the "Standards").

- C. Standards for Grantee's Review. Grantee's review and decisions relating to a City's Notice shall be guided by the Standards. Grantee shall not withhold approval to an action proposed in a City's Notice if the action would not materially affect the Features or adversely affect the Building's exterior construction materials, architectural details, form, fenestration, scale, and mass. If an action proposed in a City's Notice would affect the Building's structural soundness or setting, Grantee shall not withhold approval if such proposed action would meet the Standards.
- D. <u>No Representation by Grantee</u>. City agrees that Grantee's review and approval of the proposed actions in City's Notice shall solely be for Grantee's benefit. In approving the actions proposed in City's Notice, Grantee shall not be deemed to have made a representation or warranty to City regarding whether such actions comply with any applicable law, ordinance, or governmental regulation or with respect to the safety or adequacy of City's proposed actions.

5. Rights Retained by City.

- A. <u>Actions Without Grantee Consent</u>. City shall have the right to take the following actions without Grantee's consent:
- (i) perform the work described in Certificate of Appropriateness No. 2009.09.03A, issued by the San Francisco Historical Preservation Commission on January 6, 2010, provided such work complies with all applicable regulatory approvals;
- (ii) perform the plaza renovations depicted on the attached <u>Exhibit C</u>, as such renovations may be modified to conform to any regulatory approvals required therefor (including any approvals required of City acting in its regulatory capacity), provided such renovations comply with all applicable regulatory approvals;
- (iii) alter, repair, replace, and remove any Building improvement that is not a Feature, provided that such action will not vertically or horizontally expand the Building or adversely affect, obscure or materially alter the Features, and
- (iv) perform any maintenance, repair or replacement work on all or any portion of a Feature, provided such work is performed with like-kind materials and complies with the Standards and City provides Grantee with prior written notice of such work.
- B. Actions With Grantee Consent. After complying with the procedures described in Section 4 above, City further retains the right to make alterations to the Building, so long as (i) Grantee reasonably determines that the alterations will meet the Standards and (ii) the alterations will not adversely affect or materially alter the Features.
- 6. <u>City's Obligations for Repair and Maintenance</u>. City, at its sole cost and expense, shall perform such repair and maintenance as reasonably needed so as to preserve the appearance and structural soundness of the Building and to otherwise maintain the Features in good condition and repair. Grantee shall not be liable for, and shall have no obligation to contribute any money or services to, the repair or maintenance of the Features or the Building.

- 7. Signs on the Building. No billboards shall be placed on or about the Building. City shall not display or place on or about the Building, or permit to be displayed or placed, signs or advertisements without the express written consent of the Grantee, which consent will not be unreasonably withheld. Notwithstanding the foregoing, the following signs may be placed on the Building without Grantee's written consent: (i) plaques or other markers as are appropriate for commemorating the historic importance of the Building, (ii) signs or markers as are necessary to direct and restrict the passage of persons or the parking of vehicles upon the Land or Building, (iii) a sign or signs stating the address of the Building, (iv) signs as are necessary to identify the tenants or occupants of the Building or address activities that are detrimental (such as loitering, public drinking, or other illegal activities) to the use or enjoyment of the Building, and (v) signs, banners or markers advertising public events at the Building or on the Land that are not in place for more than forty-five (45) consecutive days. Seasonal decorations (including, but not limited to, holiday wreaths, lights and bunting) shall not be deemed to be signs for the purposes of this Section.
- 8. Grantee's Rights of Inspection. Grantee, and its representatives, inspectors, and consultants, shall be permitted to enter and inspect the Building at a mutually agreeable time during regular business hours. Grantee shall provide no less than two (2) business days' prior written notice to City of a proposed inspection to determine whether the terms of this Conservation Easement are being complied with and to enforce the same. If Grantee needs to inspect the Building due to an emergency that makes such prior written notice impracticable, Grantee shall contact City to arrange for such inspection. City shall provide such cooperation as Grantee may reasonably request in connection with its inspection of the Building, and Grantee shall perform such inspections in a manner that does not disrupt any activities at the Building. City shall have the right to have a representative accompany Grantee in any such inspections. Grantee shall perform, and shall cause each of its employees, agents, representatives, inspectors, and consultants to perform, such inspections with due care and in a commercially reasonable manner.
- 9. <u>Insurance</u>. Grantee acknowledges City is a municipal corporation that self-insures against casualty, property damage and public liability risks and agrees that City may at its sole election, but shall not be required to, carry any third party insurance with respect to the Building, the Land or otherwise; provided, however, that City shall require that each non-governmental party occupying the Building pursuant to a lease or license (each, a "Lease") with City (including Tenant) carry the following policies of insurance during the term of such lease or license (the "Lessee Insurance Policies"):
- A. Property insurance on an all-risk form, excluding earthquake, in the amount of at least ninety percent (90%) of the then current replacement value of the Building and the Features, insuring Grantee's interest in this Conservation Easement and naming Grantee as additional insured on such policy only to the extent of Grantee's interest in the Building based on this Conservation Easement; and
- B. Commercial general liability insurance with limits not less than Five Hundred Thousand Dollars (\$500,000) each occurrence combined single limit for bodily injury and property damage combined, including personal injury and medical payments coverage and broad-form property damage, naming Grantee as additional insured on such policy and insuring the indemnity obligations of such Lessee under Section 11 below.

The Lessee Insurance Policies shall be issued by an insurance company licensed in the State of California and with a general policyholders' rating of "A-" or better and a financial size ranking of "Class VIII" or higher in the most recent edition of Best's Insurance Guide, be endorsed to provide thirty (30) days' advance written notice to Grantee of any cancellation or intended non-renewal (or ten (10) days' advance written notice in case of nonpayment of

premium), mailed to the address for Grantee set forth in <u>Section 22</u> below, and be endorsed to provide that such policies are primary insurance to any other insurance available to the additional insureds with respect to any Claims and apply separately to each insured against whom Claim is made.

City may waive a Lessee's obligation to carry the Lessee Insurance Policies or modify the Lessee Insurance Policies if Grantee provides prior written consent to such waiver or modification. Each Lessee shall deliver certificates of insurance from insurers of the Lessee Insurance Policies to Grantee in a form reasonably satisfactory to Grantee within ten (10) business days' following Grantee's request therefor, evidencing the coverage required hereunder, together with complete copies of the policies.

Damage or Destruction of the Building.

- A. Report of Damage or Destruction. If the Building or any part thereof is damaged or destroyed by any casualty, City shall give written notice of the damage or destruction to Grantee within fourteen (14) calendar days. Such notice shall describe emergency work that has already been completed and any additional emergency or repair work then contemplated by City (the "Proposed Repair Work"). Except for temporary emergency work reasonably necessary to prevent further damage to the Building or to protect public safety, City shall not perform any of the Proposed Repair Work without Grantee's prior written approval that the Proposed Repair Work will meet the Standards. Grantee shall give its written approval of any Proposed Repair Work within sixty (60) days of receiving the request from the City.
- B. Removal From National Registry. If, after reviewing the condition of the Building, the Grantee determines that the features, materials, appearance, workmanship, and environment (or setting) that made the Property eligible for listing in the National Register of Historic Places have been lost or so damaged that its continued National Register listing is in question, Grantee will notify the Keeper of the National Register and the California State Historic Preservation Office in writing of the loss. The Keeper of the National Register will evaluate the findings and notify Grantee and City in writing of any decision to remove the Building from the National Register. If the Building is removed, this Conservation Easement shall automatically terminate on such removal.
- Indemnification; Release. To the fullest extent permitted by law, City shall indemnify, protect, defend and hold harmless Grantee and its officers and directors (collectively "Indemnitees") from and against all claims, demands, liabilities, losses, legal or administrative proceedings, penalties, liens, judgments, liability, fines, damage, costs, and expense, of any kind or nature (including, without limitation, actual attorneys' fees and costs, whether or not suit is brought) (collectively, "Claims") arising out of (i) real property taxes and general or special assessments assessed and levied against the Building and/or the Land, (ii) governmental laws, orders, codes, and regulations, relating to the condition, use, or occupancy of the Building, including but not limited to the Americans with Disabilities Act and Title 24 of the California Code of Regulations, or (iii) the use, occupancy or condition of the Building and/or Land. Notwithstanding anything to the contrary in the foregoing sentence, City's indemnity obligation under this Section shall not include any Claim arising out of the gross negligence or willful misconduct of any of the Indemnitees or any employees, agents or representatives ("Agents") of Grantee or out of any matter waived and released by Grantee in this Section. City shall defend the Indemnitees in any action or proceeding arising from any Claim for which City is obligated to indemnify hereunder by counsel reasonably satisfactory to the applicable Indemnitee.

Neither City nor any of its commissions, departments, boards, officers, directors, or Agents (collectively, the "City Parties") shall be liable for, and Grantee hereby assumes the risk of, and waives and releases the City Parties from, any damage to the property caused by any of

the Indemnitees or Grantee's Agents or any bodily injury or death to any of the Indemnitees or Grantee's Agents resulting or arising from the condition of the Building and/or Land; provided, however, that City shall not be relieved from liability to the extent caused by the gross negligence or willful misconduct of any of the City Parties but shall not be liable under any circumstances for any consequential, incidental or punitive damages.

In connection with the foregoing release, Grantee acknowledges that it is familiar with Section 1542 of the California Civil Code, which reads:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Grantee acknowledges that the release contained herein include all known and unknown, disclosed and undisclosed, and anticipated and unanticipated claims. Grantee realizes and acknowledges that it has agreed upon this release in light of this realization and, being fully aware of this situation, it nevertheless intends to waive the benefit of Civil Code Section 1542, or any statute or other similar law now or later in effect. The release contained herein shall survive the expiration or termination of this Conservation Easement.

Remedies of Grantee. In the event of a violation or breach by City of any provision of this Conservation Easement, Grantee, in addition to any remedies now or hereafter provided by law or in equity, shall have all the remedies set forth in Section 815.7 of the California Civil Code, as it may be amended from time to time, or any successor statute thereto. If City fails to do any act in the manner provided herein, Grantee may, without obligation to do so, upon ten (10) days' prior written notice to City, enter upon the Land, correct any violation of this Conservation Easement and to such extent as Grantee deems necessary. Grantee shall perform, and shall cause each of its employees, agents, representatives, inspectors, and consultants to perform, such entry and correction with due care and in a commercially reasonable manner. In such event of entry and correction, City shall, immediately upon demand by Grantee, pay to Grantee an amount equal to the costs and expenses incurred by Grantee in connection with the exercise of the foregoing rights, including, without limitation, attorneys' fees and costs (whether or not any action or proceeding is brought to enforce the provisions hereof), together with interest thereon at the maximum rate permitted by law until paid.

13. Enforcement, Attorneys' Fees and Costs.

- A. In any action brought to enforce or interpret this Conservation Easement, whether based upon contract, tort, or for declaratory relief, the prevailing party shall be entitled to recover all of its costs and expenses, including its actual attorneys' fees, in such action or proceeding.
- B. The Grantee and the City shall have the right to prevent and correct violations of the terms of this Conservation Easement. If the Grantee, upon inspection of the Land and Building, finds what appears to be a violation, it will promptly notify City. If such violation is caused by a tenant's default under a Lease (a "Tenant Default"), City shall have the right to cause such tenant to cure the Tenant Default. Except when an ongoing or imminent violation will irreversibly diminish or impair the cultural, historical and/or architectural importance of the Features, the Grantee shall give the City written notice of the violation and allow thirty (30) calendar days to correct the violation before taking any formal action, including, but not limited to, legal action. If a court having jurisdiction determines that a Tenant Default exists or has occurred, City, as lessor under such Lease, may pursue its rights under such Lease to cause the tenant under such Lease to cure such Tenant Default. If a violation arises from an alteration to any Feature without Grantee's consent, a court may also issue a mandatory injunction requiring

the City to restore the altered Feature to the condition it was in before such alteration or, if such alteration prevents such restoration, to a condition that would be consistent with preservation purposes of the grant from the National Park Service. In any case where a court finds that a violation has occurred, the City shall reimburse the Grantee for all the Grantee's expenses incurred in stopping, preventing, and/or correcting the violation, including, but not limited, to reasonable attorney's fees. The failure of the Grantee to discover a violation or to take immediate action to correct a violation shall not bar it from doing so at a later time. City acknowledges and agrees that any and all future tenants of the Land and Building will have an enforcement provision in their leases acknowledging the Conservation Easement and the Rights of City and Grantee thereunder and requiring that the tenants comply with City's obligations hereunder.

- 14. <u>Waiver</u>. Except as expressly provided to the contrary herein, Grantee's failure or delay in the exercise of any power, right or privilege hereunder shall not operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege. The waiver of any power, right or privilege in a particular instance shall not be construed as a waiver thereof in other instances.
- 15. <u>Statutory Authority</u>. This instrument is made pursuant to Section 815 et seq. of the California Civil Code, but the invalidity of such Act or any part thereof shall not affect the validity and enforceability of this instrument according to its terms. It is the intent of the parties that this instrument shall constitute an equitable servitude, an easement in gross and/or a restrictive covenant during the Term.
- 16. Compliance with Applicable Laws or Ordinances. Nothing contained herein shall be interpreted to authorize or permit City to violate any laws or ordinances applicable to the Land and Building, including, without limitation, any building materials, construction methods, fire safety, emergency or energy related requirements. In the event of any conflict between any law or ordinance and the terms hereof, the law or ordinance shall prevail. However, City promptly shall notify Grantee of any such conflict and shall cooperate with Grantee to accommodate the purposes of both this instrument and such law or ordinance. If any term or provision of this Conservation Easement shall be determined to be illegal or unenforceable, all of the other terms, provisions and sections hereof shall nevertheless remain effective and be in force to the fullest extent permitted by law.
- 17. <u>Liens</u>. City acknowledges that the subject matter of this conveyance is a perpetual donation to charity which can no longer be transferred, hypothecated or subjected to liens or encumbrances by City; and any attempt to do so shall be null and void and of no force and effect.
- 18. Public Access. The City agrees to provide public access to view the grant assisted work or Features no less than 12 days a year on an equitably spaced basis, which viewing may be limited to normal business hours and events that are generally open to the public. The dates and times when the Land and Building will be open to the public must be annually published and provided to the Grantee. At the option of the City, the relevant portions of the Land and Building may also be open at other times in addition to the scheduled 12 days a year. Nothing in this Conservation Easement will prohibit a reasonably nondiscriminatory admission fee, comparable to fees charged at similar facilities in the area.
- 19. <u>Anti discrimination</u>. The City agrees to comply with Title VI of the Civil Rights act of 1964 (42 U.S.C. 2000d), the Americans with Disabilities Act (42 U.S.C. 12204), and with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794). These laws prohibit discrimination on the basis of race, religion, national origin, or disability.

- Easement Runs with the Land. The obligations imposed by this Conservation Easement shall be deemed to run as a binding servitude with the Land during the Term. This instrument shall extend to and be deemed binding upon City, its successors and assigns and all persons hereafter claiming under or through City; and the word "City" when used herein shall include all such persons.
- Assignment. Except in the case that Grantee shall hereafter cease to exist, Grantee shall be prohibited from assigning or transferring this Conservation Easement to any other party. This Conservation Easement shall survive any termination of Grantee's existence and shall run for the benefit of, and may be enforced by, Grantee's successors and assigns, or by its designees duly authorized in a deed of appointment. Any successor or assign shall be a "qualified organization" described in Section 170(h)(3) of the Internal Revenue Code and must be approved by NPS in writing.
- Notices. Any notice or demand by either party to the other in connection with this 22. Conservation Easement shall be in writing and shall either be personally served on the party or sent by registered or certified mail, postage prepaid, return receipt requested, to the address of the party shown below or such other address which the party may specify in compliance with this Section. Such notice or demand, if sent by mail, shall be deemed given three (3) days after deposit in the United States mail and, if personally served on the party, shall be deemed given when delivered.

If to City:

San Francisco Arts Commission 25 Van Ness Avenue, Suite 240 San Francisco, CA 94102

Attn: Director of Cultural Affairs

and

City and County of San Francisco Real Estate Division 25 Van Ness Avenue, Suite 400

San Francisco, CA 94102 Attn: Director of Property

If to Grantee:

San Francisco Architectural Heritage

Attn: Executive Director 2007 Franklin Street

San Francisco, California 94109

- Governing Law. This Conservation Easement shall be governed by and construed in accordance with the laws of the State of California.
- Further Assurances. City hereby covenants and agrees to execute and deliver to Grantee 24. from time to time, promptly after any request therefore by Grantee, any and all instruments, agreements and documents which Grantee may require, and to perform such other acts as may be necessary or desirable, to carry out the purposes of this Conservation Easement.
- MacBride Principles Northern Ireland. City urges companies doing business in 25. Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1 et seq. City also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Grantee acknowledges that it has read and understands the above statement of the City concerning doing business in Northern Ireland.

- 26. <u>Tropical Hardwood and Virgin Redwood Ban</u>. City urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product, except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environment Code.
- 27. Controller's Certification of Funds. The terms of this Conservation Easement shall be governed by and subject to the budgetary and fiscal provisions of the City's Charter. Notwithstanding anything to the contrary contained in this Conservation Easement, there shall be no obligation for the payment or expenditure of money by City under this Conservation Easement unless the City's Controller first certifies, pursuant to Section 3.105 of the City's Charter, that there is a valid appropriation from which the expenditure may be made and that unencumbered funds are available from the appropriation to pay the expenditure.

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GRANTOR:	CITY a mun	AND COUNTY OF SAN FRANCISCO icipal corporation	Э,
	Ву:	Luis R. Cancel Director of Cultural Affairs	,
	By:	Amy L. Brown Director of Property	
APPROVED AS TO FORM			
DENNIS J. HERRERA, City		ney	·
•	Attorn	ney	
DENNIS J. HERRERA, City By: Carol Wong	Attorn	FRANCISCO ARCHITECTURAL HEI	RITA

EXHIBIT A

Property Legal Description

EXHIBIT B

Features

Based on South San Francisco Opera House National Register Nomination, prepared by Architectural Resources Group, August 31, 2010. The complete National Register nomination is incorporated by reference into the baseline documentation to fully describe the Building. The Building is one-story, built with wood-frame construction and features associated with the Italianate and Stick styles. The Building has an intact northern facade and an interior auditorium with a proscenium at the south end, and the Features are described below.

EXTERIOR

North Wall

Parapet:

- Elaborate parapet, two sets of paired wood windows, and a central entrance.
- Corner boards with pilasters at ground level.
- Triangular projection emblazoned with an applied sunburst ornament on parapet.
- Enriched molding supported by decorative brackets comprised of block modillions supported by curved vertical members.
- Closed, arched balustrade between brackets just below the cornice and an enriched molding.
- Band of trim clad in stucco beneath molding.
- Wood strips from the bases of the thinner brackets, corresponding to the lines of the window frames below.
- Wider strips framing the façade's entrance; incised decorative carving on wider strips and the corner boards.

Windows:

- Two sets of paired windows on either side of the ground-level entrance, with decorative surrounds on the upper portion.
- Wood, double-hung sash, with rounded tops of the upper sashes.
- Top portion of window surrounds consist of paired dentil courses beneath a projecting molding with a triangular peak occupied by foliate decoration incised above each window.
- Three pilasters atop a projecting sill.
- Rectangular panels with ornamental pellets beneath the sill set amidst a horizontal course extending across the façade and clad in vertical wood siding.

Main Entrance:

- Paired, wood-paneled doors flanked by paired pilasters with Corinthian capitals beneath an elaborate pediment.
- Batten-style doors including vertical, horizontal and diagonal boards.
- The words "South San Francisco Opera House" carved in low relief on an arched panel of the central portion of the pediment.
- Dentil course between the pendants beneath the pediment's raking cornices.

Carved wooden finials atop the midpoint and either end of the pediment.

Bracket with a harp-shaped appliqué flanked by curvilinear moldings below the

central pineapple motif finial.

Rectangular panel containing the numbers "1888" beneath sunburst-themed decoration and a curved pediment on the upper central portion of the façade, buttressed by carved wood boards with incised ornamentation, atop a slightly projecting molding with decorative pendants.

Original decorative pellets (currently painted gold) punctuating several portions of the façade, including: at the base of the stucco trim, the corner boards and vertical strips above the outer edges of the entrance; the corners of the rectangular 1888 panel; the rectangular panels beneath the windows; the central portion of the pediment above the entrance; and the ends of the parapet's sunburst flares.

East Wall

Horizontal, drop wood siding.

• Original entrance that opens directly into the auditorium. (** Note: Doors in this entrance are not historic and are not protected Features)

• Three wood, double-hung windows with divided sash (four-over-four), narrowly proportioned with simple surrounds and slightly projecting sills.

INTERIOR

Narrow entry lobby at north end

• Single open space central auditorium with stage and proscenium arch at south end, a mezzanine at the north end, and a perimeter balcony

Main assembly area floor consisting of wood framing over unreinforced masonry piers.

Ceiling approximately twenty-eight feet (28') above the main floor.

• Projecting stage rising approximately 4 feet above the main auditorium floor.

• Proscenium arch decorated with foliage-themed painted and stenciled design.

 Wainscoting consisting of vertical boards between a baseboard and cap molding along auditorium's east, west and north walls.

Door to the exterior along the east wall (from auditorium) and the main entrance on the

north wall, both with decorative wood frames.

 Perimeter balcony is U-shaped and approximately nine feet (9') wide, hung from the roof trusses via one-inch steel rod, and lined with a closed, arched balustrade approximately two feet high.

Three windows along the east wall of the building with decorative wood surrounds,

similar in design to the door frames below.

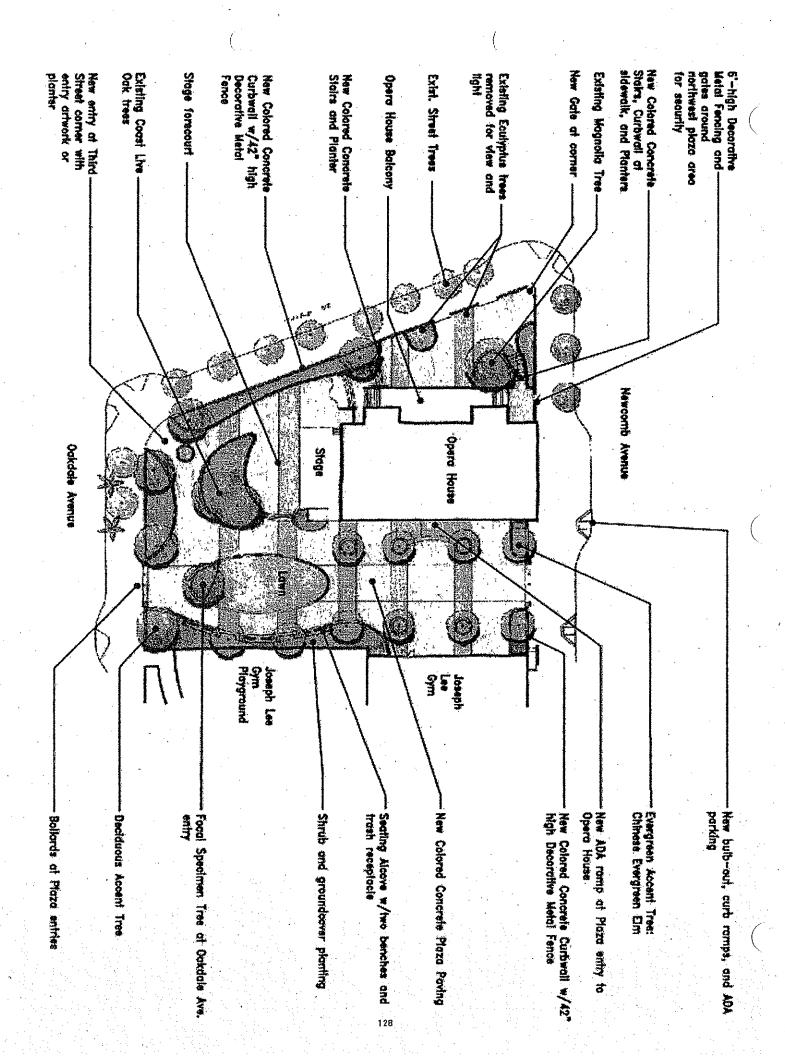
 Mezzanine at the north end of the balcony (** Note: Projection room and office built into mezzanine are not historic and are not protected Features)

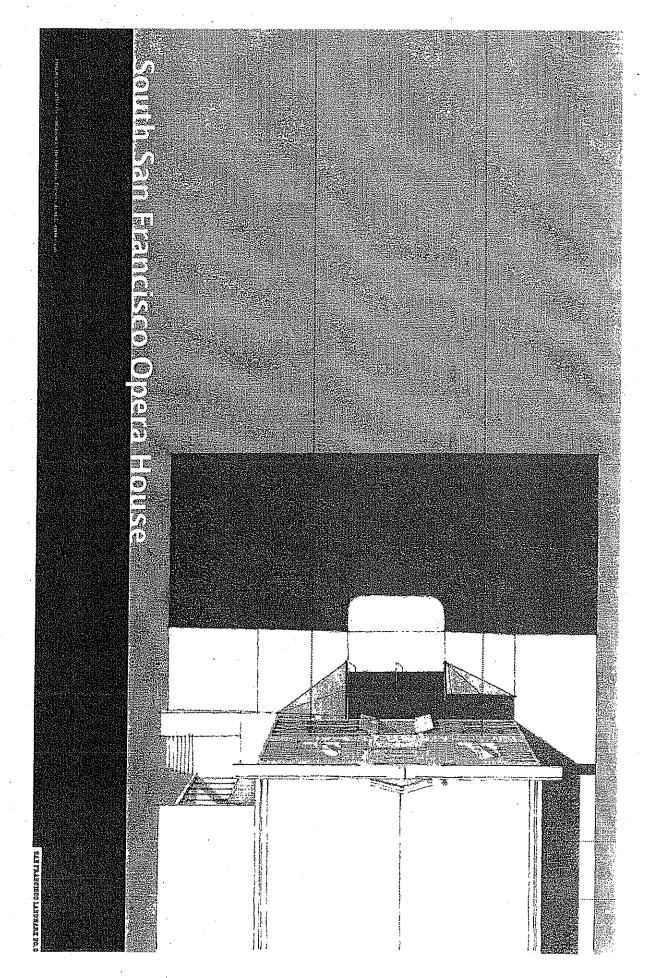
 Large, rectangular mass of exposed bedrock in crawl space that extends beneath the auditorium's floor.

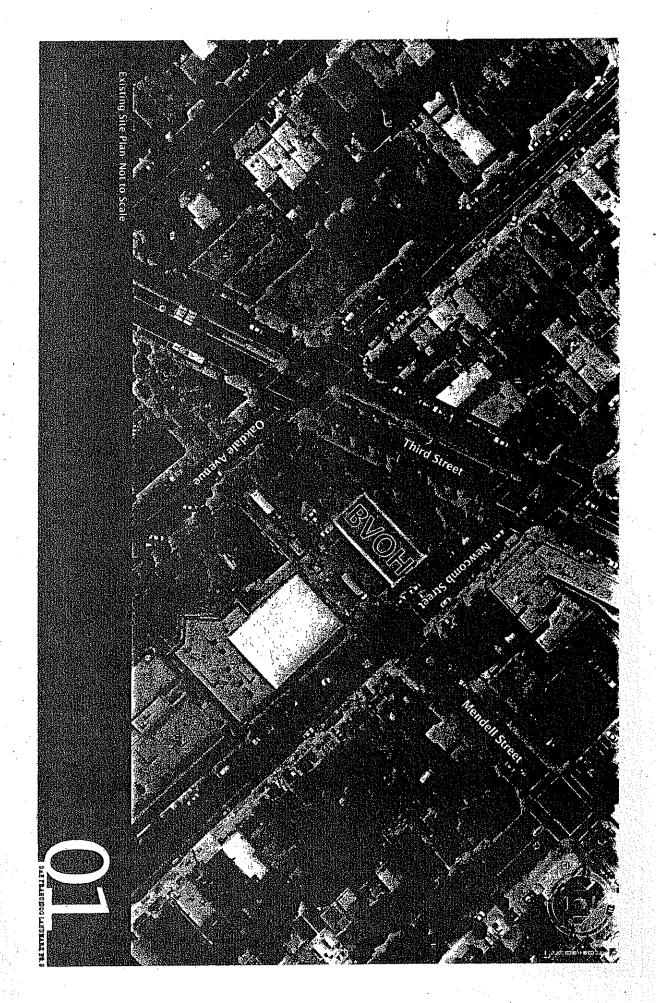
Building foundation of wood framing over brick masonry piers.

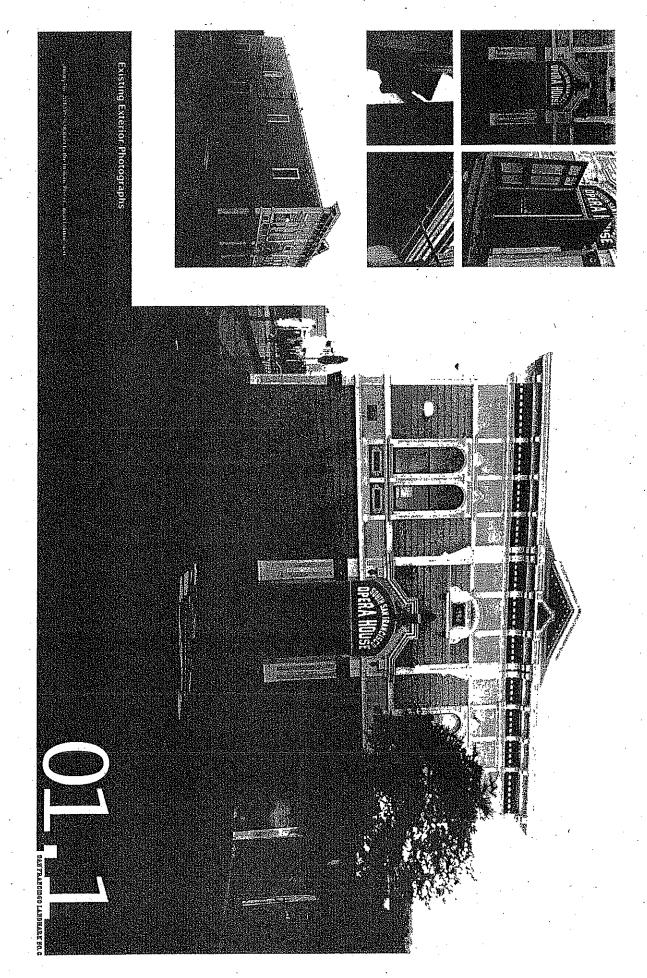
EXHIBIT C

Schematic of Plaza Renovation



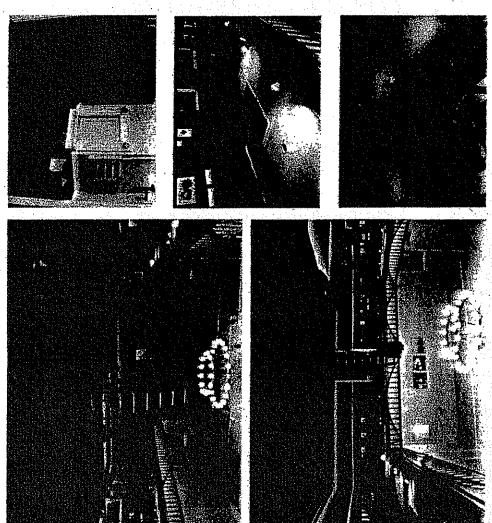




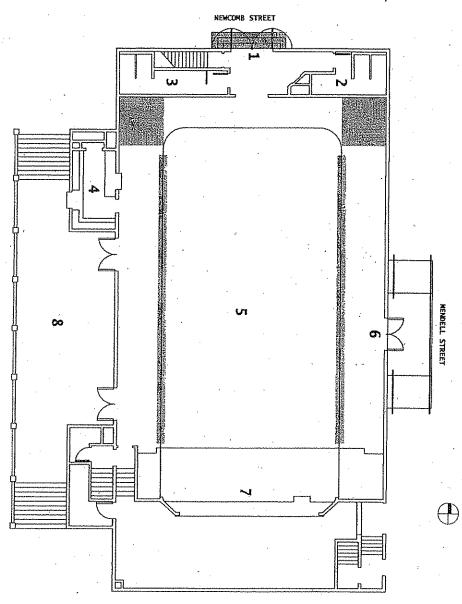


ling Interior Photographs





- 1. NEWCOMB STREET ENTRY, EXISTING CONCRETE STEPS TO BE DEMOLISHED. HISTORIC DOORS TO REMAIN
- 2. NO WORK THIS AREA-WOMEN'S RESTROOM- NON ACCESSIBLE
- 3. NO WORK THIS AREA-MEN'S RESTROOMS-NON ACCESSIBLE
- 4. NO WORK THIS AREA-KITCHEN
- 5. MAIN PERFORMANCE HALL-SELECTIVE DEMOLITION OF FLOOR AND WALL FINISHES IN AREAS HIGHLIGHTED.
- 6. NO WORK THIS AREA-ACCESSIBLE ENTRY/MAIN ENTRY
- 7. NO WORK THIS AREA-STAGE AND HISTORIC PROSCENIUM
- 8. NO WORK THIS AREA-PORCH



pper Level Existing Conditions/Demolition Plan rale: 3/32" = 1' 0"

1. NO WORK THIS AREA- MECHANICAL ROOM

NEMOELL STREET

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2. MEN'S RESTROOM- NON ACCESSIBLE, REMOVE ALL FIXTURES, FLOOR AND WALL FINISHES
3. WOMEN'S RESTROOM NON ACCESSIBLE REMOVE ALL FIXTURES, FLOOR AND WALL FINISHES

4. VESTIBULE

5. METAL ROLL UP DOOR TO BE DEMOL-ISHED

6. NO WORK THIS AREA- CLASSROOM

7 NO WORK THIS AREA- STORAGE
8 NO WORK THIS AREA-STORAGE

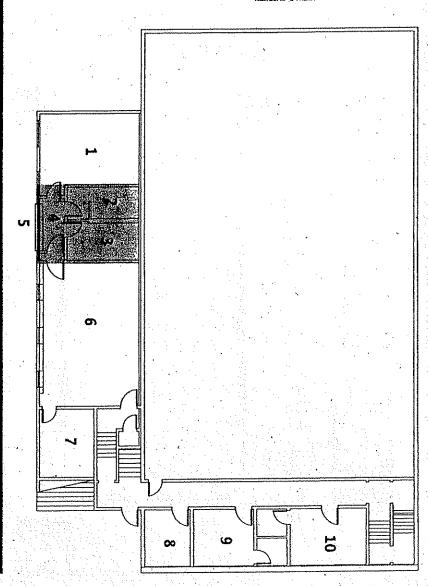
8. NO WORK THIS AREA-STORAGE

9. NO WORK THIS AREA- MEN'S DRESSING ROOM

10 NO WORK THIS AREA- WOMEN'S DRESSING ROOM

Lower Level: Existing Conditions and Demolition Plan Scale: 3/32" = 1'.0"

NEWCOMB STREET



02

134

4. NEW STRUCTURAL STEEL POST AND BEAM SYSTEM TO STABALIZE EXISTING BALCONY.COLUMNS ARE APPROXIMATELY 4 " IN DIAMETER. 1. NEWCOMB STREET ENTRY. NEW ACCESSIBLE RAMP AND STAIR. NEW ACCESSIBLE GLASS DOOR ENTRY DOOR SYSTEM. 5. NEW SIDEWALK BULB OUT N.I.C. 3. NEW ACCESSIBLE UNISEX RESTROOM. NEW FLOOR AND WALL FINISH. 2.NEW STORAGE FOR CHAIRS AND NEW PORTABLE CHAIR LIFT FOR STAGE ACCESS. NEWCOMB STREET СЛ **|** MENDELL STREET

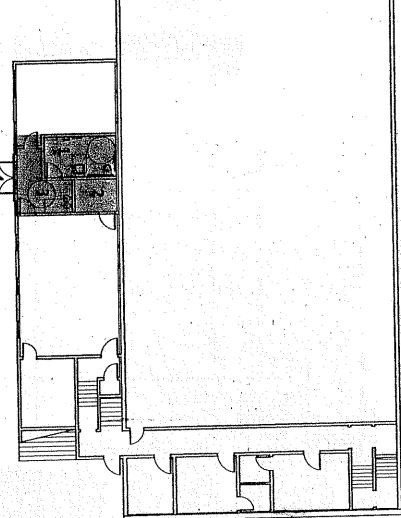
Proposed Upper Level Floor Plan Scale: 3/32" = 1'0"

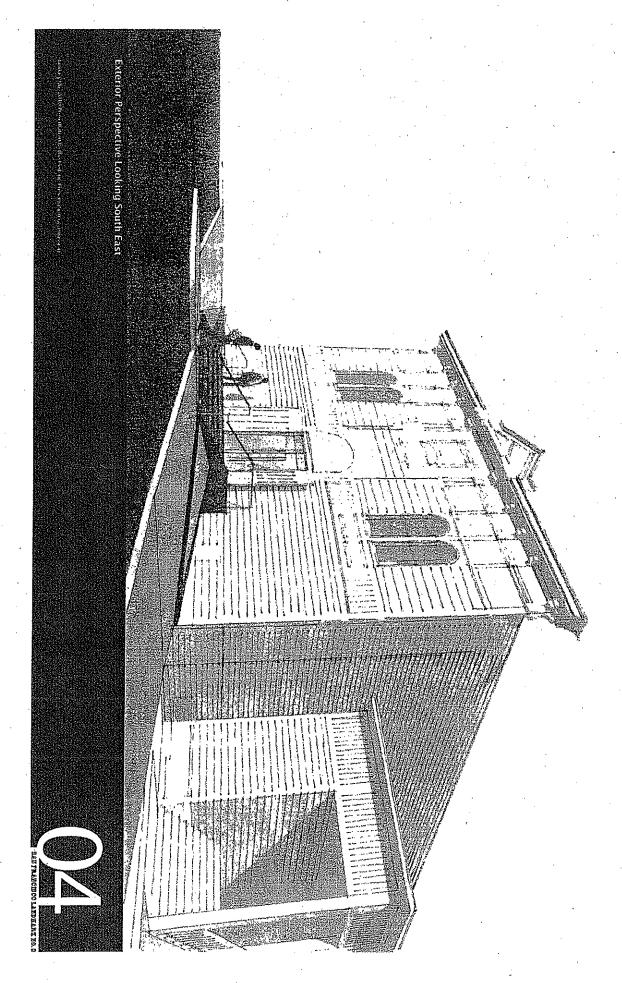
BAN PRANCINCO LANDEARE BO. O

2. NEW STORAGE

1. NEW UNISEX ACCESSIBLE RESTROOM

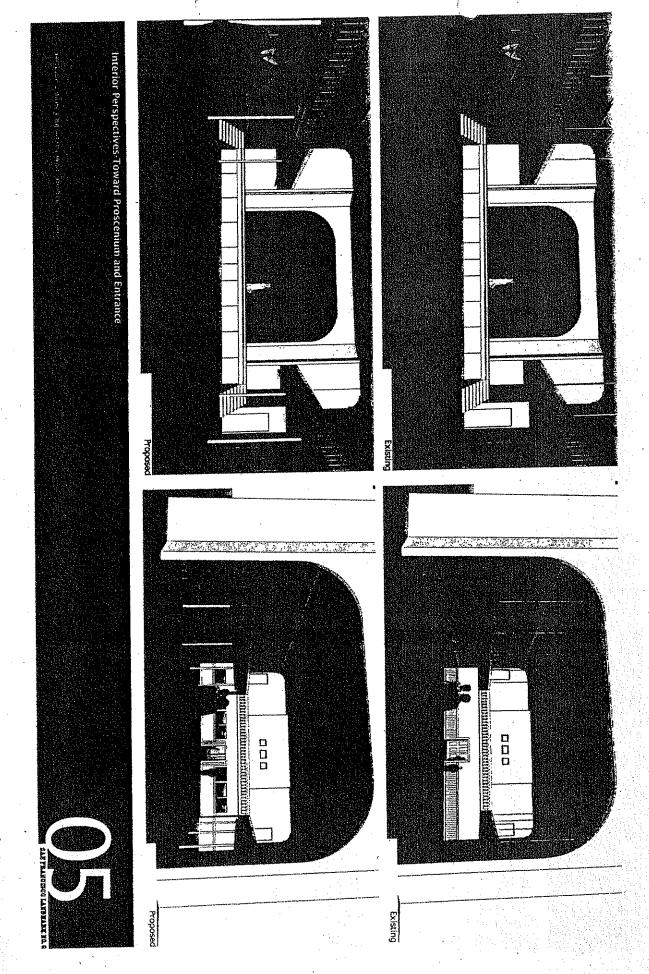
- 3. NEW VESTIBULE WITH ACCESSIBLE DRINKING FOUNTAIN 4. NEW ACCESSIBLE ENTRY/EGRESS DOORS

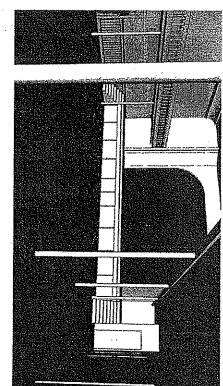


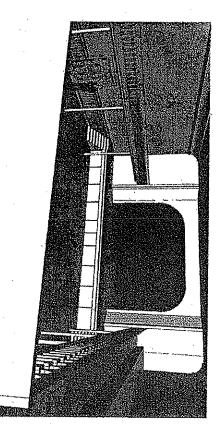


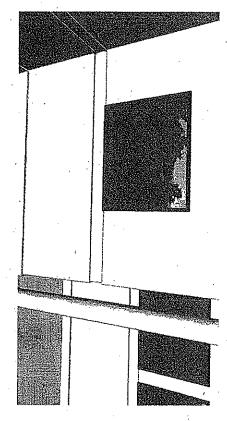
xterior Perspective Looking South Wes

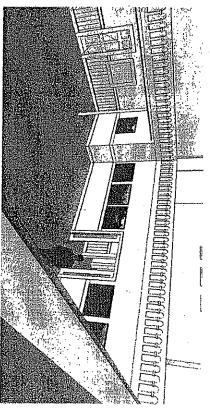
Exterior Perspectives:Newcomb Street Entry











RUTH WILLIAMS MEMORIAL THEATER



Historic Preservation Commission Resolution No. 654

HEARING DATE SEPTEMBER 15, 2010

ADOPTION OF FINDINGS RECOMMENDING THAT THE BOARD OF SUPERVISORS GRANT A CONSERVATION EASEMENT FROM THE CITY TO SAN FRANCISCO ARCHITECTURAL HERITAGE TO MEET A CONDITION REQUIRED BY THE SAVE AMERICA'S TREASURES GRANT PROGRAM, INCLUDING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND THE PRIORITY POLICIES OF PLANNING CODE SECTION 101.1.

- 1. WHEREAS, the subject building is City Landmark No. 8, historically known as the San Francisco Opera House, a historically significant architectural and cultural resource within the City of San Francisco.
- WHEREAS, the Building is currently leased by Bayview Opera House, Inc., and the National Park Service provided a \$197,535 grant under the Save America's Treasures Grant Program to the tenant under Grant Agreement No. 06-04-ML-0099.
- 3. WHEREAS, the National Park Service Grant funded certain building improvement work performed by Tenant and, as a condition of the NPS Grant, NPS is requiring that the City grant a 50-year Conservation Easement of certain protected features to San Francisco Architectural Heritage.
- 4. WHEREAS, the Historic Preservation Commission, at its regularly scheduled hearing of September 15, 2010, has reviewed the conditions of the agreement, including the list of protected features, and supports the Conservation Easement.
- WHEREAS, the Commission acknowledges that the City and San Francisco Architectural Heritage are currently negotiating the exact terms of Agreement that creates the Conservation Easement, and hope to reach final resolution in the near The Commission understands that, therefore, the terms of the final Conservation Easement may be slightly different than the terms of the easement as currently drafted. The Commission acknowledges that if the Commission and the Board of Supervisors approve the Agreement, the Board of Supervisors may authorize the Director of Cultural Affairs to execute and deliver the Agreement and take any and all actions which the Director of Cultural Affairs, in consultation with the City Attorney and any other person specified by the City's Board of Supervisors, determines are in the best interest of the City, including any modifications or amendments to the Agreement which do not materially increase the obligations of the City or materially decrease the benefits to the City. The Commission acknowledges that the Board of Supervisors' authorization to the Director of Cultural Affairs to take any such actions is necessary and advisable to consummate the performance of the purposes and intent of this Resolution, and complies with all applicable laws, including the City's Charter.

1650 Mission St Suite 400 San Francisco, CA 94103-2479

Reception: 415.558.6378

Fax: 415.558.6409

Planning Information: 415.558.6377

www.sfplanning.org

NOW THEREFORE BE IT RESOLVED that the Commission hereby RECOMMENDS to the Board of Supervisors to grant the Conservation Easement for Landmark No. 8, the San Francisco Opera House to San Francisco Architectural Heritage.

FINDINGS

Having reviewed all the materials identified in the recitals above and having heard oral testimony and arguments, this Commission finds, concludes, and determines as follows:

- 1. The above recitals are accurate and also constitute findings of the Commission.
- 2. **General Plan Consistency.** Granting the proposed easement is, on balance, consistent with the following Objectives and Policies of the General Plan:

I. URBAN DESIGN ELEMENT

THE URBAN DESIGN ELEMENT CONCERNS THE PHYSICAL CHARACTER AND ORDER OF THE CITY, AND THE RELATIONSHIP BETWEEN PEOPLE AND THEIR ENVIRONMENT.

GOALS

The Urban Design Element is concerned both with development and with preservation. It is a concerted effort to recognize the positive attributes of the city, to enhance and conserve those attributes, and to improve the living environment where it is less than satisfactory. The Plan is a definition of quality, a definition based upon human needs.

OBJECTIVE 1

EMPHASIS OF THE CHARACTERISTIC PATTERN WHICH GIVES TO THE CITY AND ITS NEIGHBORHOODS AN IMAGE, A SENSE OF PURPOSE, AND A MEANS OF ORIENTATION.

POLICY 1.3

Recognize that buildings, when seen together, produce a total effect that characterizes the city and its districts.

OBJECTIVE 2

CONSERVATION OF RESOURCES WHICH PROVIDE A SENSE OF NATURE, CONTINUITY WITH THE PAST, AND FREEDOM FROM OVERCROWDING.

POLICY 2.4

Preserve notable landmarks and areas of historic, architectural or aesthetic value, and promote the preservation of other buildings and features that provide continuity with past development.

POLICY 2.5

Use care in remodeling of older buildings, in order to enhance rather than weaken the original character of such buildings.

POLICY 2.7

Recognize and protect outstanding and unique areas that contribute in an extraordinary degree to San Francisco's visual form and character.

The easement will provide additional oversight for the San Francisco Opera House, an architecturally and culturally significant building to the City in order to protect the qualities that are associated with its significance.

- The proposed project is generally consistent with the eight General Plan priority policies set forth in Section 101.1 in that:
 - A) The existing neighborhood-serving retail uses will be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses will be enhanced:

The easement will not affect neighborhood-serving retail uses; however, the subject building is an important asset to the community and is located near neighborhood serving retail uses that benefit from the preservation and continued use.

B) The existing housing and neighborhood character will be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods:

The easement will strengthen neighborhood character because granting the easement will provide additional oversight of the subject building and ensure that all work associated with the subject building is executed in conformance with the Secretary of the Interior's Standards.

C) The City's supply of affordable housing will be preserved and enhanced:

The easement will have no adverse effect on the City's supply of affordable housing.

D) The commuter traffic will not impede MUNI transit service or overburden our streets or neighborhood parking:

The easement will not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking.

E) A diverse economic base will be maintained by protecting our industrial and service sectors from displacement due to commercial office development. And future opportunities for resident employment and ownership in these sectors will be enhanced:

N/A

F) The City will achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

Preparedness against injury and loss of life in an earthquake is unaffected by the proposed amendments. No construction or alteration is anticipated as part of the recommendation of approval to the Board of Supervisors.

G) That landmark and historic buildings will be preserved:

The Board of Supervisors' action to grant the easement to San Francisco Heritage will provide the strongest level of preservation oversight for the subject building for the future enjoyment and education of City residents and visitors.

H) Parks and open space and their access to sunlight and vistas will be protected from development:

The easement will not impact the City's parks and open space.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on September 15, 2010

Linda D. Avery

Commission Secretary

AYES:

COMMISSIONERS, DAMKROGER, HASZ, WOLFRAM, MATSUDA,

MARTINEZ

NOES:

ABSENT:

COMMISSIONER BUCKLEY [COMMISSIONER CHASE RECUSED]

ADOPTED:

SEPTEMBER 15, 2010