BOARD of SUPERVISORS

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MEMORANDUM

Date: December 19, 2023

To: Planning Department

From: Monique Crayton, Assistant Clerk

Subject: Board of Supervisors Legislation Referral - File No. 231281
Non-Renewal of a Mills Act Historical Property Contract - 988 Market Street

☒ California Environmental Quality Act (CEQA) Determination
(California Public Resources Code, Sections 21000 et seq.)
- ☒ Resolution
- ☐ Ballot Measure

☐ Amendment to the Planning Code, including the following Findings:
(Planning Code, Section 302(b): 90 days for Planning Commission review)
☐ General Plan ☐ Planning Code, Section 101.1 ☐ Planning Code, Section 302

☐ Amendment to the Administrative Code, involving Land Use/Planning
(Board Rule 3.23: 30 days for possible Planning Department review)

☐ General Plan Referral for Non-Planning Code Amendments
(Charter, Section 4.105, and Administrative Code, Section 2A.53)
(Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)

☐ Historic Preservation Commission
- ☐ Landmark *(Planning Code, Section 1004.3)*
- ☐ Cultural Districts *(Charter, Section 4.135 & Board Rule 3.23)*
- ☐ Mills Act Contract *(Government Code, Section 50280)*
- ☐ Designation for Significant/Contributory Buildings *(Planning Code, Article 11)*

Please send the Planning Department determination to Alisa Somera at alisa.somera@sfgov.org.

[Non-Renewal of a Mills Act Historical Property Contract - 988 Market Street]

Resolution regarding non-renewal of a Mills Act historical property contract with 140 Partners, L.P., a California Limited Partnership and Marlin Cove, Inc., a California corporation, the owners of 988 Market Street, The Warfield Building, Assessor's Parcel Block No. 0342, Lot No. 019, under Chapter 71 of the San Francisco Administrative Code; notifying the Assessor Recorder's Office of such non-renewal; and authorizing the Planning Director to send notice of the non-renewal of the historical property contract to the owner and record a notice of non-renewal.

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

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

WHEREAS, A Mills Act application for an historical property contract was submitted by 140 Partners, L.P., a California Limited Partnership and Marlin Cove, Inc., a California corporation, the owners of 988 Market Street, Assessor's Parcel Block No. 0342, Lot No. 019, detailing rehabilitation work and proposing a maintenance plan for the property; and

WHEREAS, At a public hearing on November ___, 2023, in Resolution No. ____, and after reviewing the Historic Preservation Commission's recommendation and the information provided by the Assessor's Office, the Board of Supervisors approved the historical property contract between 140 Partners, L.P., a California Limited Partnership and Marlin Cove, Inc., a California corporation, the owners of 988 Market Street, and the City and County of San Francisco; and

WHEREAS, When it considered the approval of the historical property contract, the Board of Supervisors balanced the benefits of the Mills Act to the owner of 988 Market 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 988 Market Street and the resultant property tax reductions, and determined that it was in the public interest to enter into a historical property contract with the applicants; and

WHEREAS, The historical property contract for 988 Market Street was recorded at the Assessor Recorder Office on December ___, 2023, which is the anniversary date of the contract; and

WHEREAS, The historical property contract for 988 Market Street is binding on all successors and assigns, as are all Mills Act contracts; and

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

RESOLVED, That the Board of Supervisors hereby elects not to renew the historical property contract for 988 Market Street Assessor's Block No. 0342, Lot No. 019 in 2033; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby notifies the Assessor Recorder of the non-renewal of the historical property contract for 988 Market Street; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the Planning Director to send notice at least 60 days prior to the anniversary date to the current owner of 988 Market Street, informing them that the historical property contract will not be renewed; and be it

FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the Planning Director to cause a notice of the non-renewal of the contract to be recorded in the City Recorder's office.

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Introduction Form

(by a Member of the Board of Supervisors or the Mayor)

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

- [x] 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment)
- [ ] 2. Request for next printed agenda (For Adoption Without Committee Reference)
  (Routine, non-controversial and/or commendatory matters only)
- [ ] 3. Request for Hearing on a subject matter at Committee
- [ ] 4. Request for Letter beginning with "Supervisor _____ inquires…"
- [ ] 5. City Attorney Request
- [ ] 6. Call File No. _____ from Committee.
- [ ] 7. Budget and Legislative Analyst Request (attached written Motion)
- [ ] 8. Substitute Legislation File No. _____
- [ ] 9. Reactivate File No. _____
- [ ] 10. Topic submitted for Mayoral Appearance before the Board on _____

The proposed legislation should be forwarded to the following (please check all appropriate boxes):

☐ Small Business Commission ☐ Youth Commission ☐ Ethics Commission

☐ Planning Commission ☐ Building Inspection Commission ☐ Human Resources Department

General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):

☐ Yes ☐ No

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

Sponsor(s):

Supervisor Peskin

Subject:

[Non-Renewal of a Mills Act Historical Property Contract - 988 Market Street]

Long Title or text listed:

Resolution regarding non-renewal of a Mills Act historical property contract with 140 Partners, L.P., a California Limited Partnership and Marlin Cove, Inc., a California corporation, the owners of 988 Market Street, The Warfield Building, Assessor's Parcel Block No. 0342, Lot No. 019, under Chapter 71 of the San Francisco Administrative Code; notifying the Assessor Recorder's Office of such non-renewal; and authorizing the Planning Director to send notice of the non-renewal of the historical property contract to the owner and record a notice of non-renewal.

Signature of Sponsoring Supervisor: //AP//