



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Conditional Use

HEARING DATE: SEPTEMBER 14, 2017

Date: September 7, 2017
Case No.: **2015-015918CUA**
Project Address: **2047 POLK STREET**
Zoning: Polk Street Neighborhood Commercial District
65-A Height and Bulk District
Block/Lot: 0574/002
Project Sponsor: Samuel Kwong
Arcus Architecture + Planning
61 Walter U. Lum Place
San Francisco, CA 94108
Property Owner: Gary Yeung
2047 Polk Street
San Francisco, CA 94109
Staff Contact: Andrew Perry – (415) 575-9017
andrew.perry@sfgov.org
Recommendation: **Disapproval**

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

PROJECT DESCRIPTION

The project sponsor proposes removal of an unauthorized dwelling unit at the rear of the ground floor, and conversion of the space into additional floor area for the existing personal service use (d.b.a. Eclipse Salon) located at the front of the ground floor. This request to remove the unauthorized dwelling unit also represents the project sponsor's effort to abate Planning Enforcement Case No. 2015-005650ENF and Department of Building Inspection Complaint Number 201481171.

SITE DESCRIPTION AND PRESENT USE

The subject property is located on the west side of Polk Street, between Broadway and Pacific Avenue, Block 0574, Lot 002. The subject property is located within the Polk Street Neighborhood Commercial District ("NCD") and the 65-A Height and Bulk District. The property is developed as a two-story mixed use building, with the second floor containing a 2-bedroom unit with approximately 1,410 square feet, and the ground floor containing a front commercial space with approximately 589 square feet, as well as an unauthorized dwelling unit at the rear measuring approximately 641 square feet. The subject unauthorized dwelling unit has been occupied by the current tenant since August 2009. The property owner is also the business owner of the personal service use (d.b.a. Eclipse Salon) located at the ground floor, however, does not reside in the building.

SURROUNDING PROPERTIES AND NEIGHBORHOOD

The area surrounding the project site is mixed-use in character and located roughly on the border of the Nob Hill and Russian Hill neighborhoods, with the Pacific Heights neighborhood also in proximity to the west, just beyond Van Ness Avenue. A variety of commercial establishments are located within ground floor storefronts in the Polk Street NCD, including restaurants, bars, apparel stores, convenience stores, personal service businesses, and other types of retailers. Buildings in the vicinity range in height from one to five stories. Upper floors of buildings are generally occupied by residential units. Larger scale retail uses, tourist hotels, and some taller residential buildings are situated along the Van Ness Corridor, outside of the Polk Street NCD to the west. Beyond the immediate Polk Street NCD corridor, the surrounding areas are primarily zoned for moderate-density residential and mixed, residential-commercial uses. As one exception to this characterization, the Pacific Avenue NCD is also located to the east in proximity to the project site.

ENVIRONMENTAL REVIEW

The denial of a Conditional Use Authorization is not defined as a “project” pursuant to CEQA Guidelines Sections 15050(c)(2) and 15378 because there is no corresponding action that would result in a physical change in the environment.

Should the Commission indicate intent to approve the Conditional Use Authorization, the project will need to return at a later hearing date in order to provide the Commission with an approval motion and perform the required CEQA analysis for the corresponding project.

HEARING NOTIFICATION

TYPE	REQUIRED PERIOD	REQUIRED NOTICE DATE	ACTUAL NOTICE DATE	ACTUAL PERIOD
Classified News Ad	20 days	August 25, 2017	August 23, 2017	22 days
Posted Notice	20 days	August 25, 2017	August 25, 2017	20 days
Mailed Notice	20 days	August 25, 2017	August 25, 2017	20 days

The proposal requires a Section 312 neighborhood notification, including notification to all units in the subject building, whether authorized or unauthorized. The mailed notice covered the various noticing requirements.

PUBLIC COMMENT/COMMUNITY OUTREACH

- To date, the Department has received communications in opposition to the proposal from the current tenant of the unauthorized dwelling unit.

ISSUES AND OTHER CONSIDERATIONS

- Planning Code Section 317 sets forth additional criteria for the Planning Commission to consider when reviewing applications for the removal of unauthorized dwelling units, and when reviewing proposed residential conversions. A full discussion of these additional criteria may be found within the draft motion; a short summary is provided below:

- The project sponsor seeks to remove the unauthorized unit in order to expand the commercial square footage of his personal service business, a use that is compatible at the ground floor within the District.
 - The estimated cost to legalize is \$73,276, which exceeds the average unit legalization cost listed at \$58,000; therefore, Code would suggest that the cost to legalize is not reasonable. The project sponsor has noted that there is a large amount of work and cost associated with legalization of the unit, but has not indicated whether this cost would constitute a financial hardship.
 - The appraisal conducted for the property considered the potential rents obtained by the property owner both in its current unauthorized state, as well as in a legalized condition. As there is currently a tenant in the unauthorized unit, which is subject to rent control, the appraisal found that there was no increase to the value of the property as a result of legalization. Therefore, Code would suggest that legalization of the unit is not financially feasible, as the cost to legalize exceeds the value gained.
 - The unauthorized unit in question is not owner-occupied, and has been the current tenant's residence since August 2009. Conversion of the unit from residential to non-residential use would result in the displacement of the existing tenant, and the direct elimination of a unit subject to the Residential Rent Stabilization and Arbitration Ordinance.
 - Planning Code Section 317 does not require evaluation of costs associated with the conversion of the space to non-residential use, or how this conversion would affect the overall appraised value of the property. Although these specific costs are not known to the Department, it is reasonable to assume that some cost would also be incurred by the property owner in order to convert the space to non-residential use.
- The project sponsor has been involved in efforts to remove the unauthorized unit dating back to December 2014, in response to the DBI Notice of Violation that was filed on the property for the illegal unit. At that time, the Planning Code did not require Conditional Use Authorization in order to remove unauthorized units. A permit was filed for the removal of the unit, approved in error and subsequently appealed by the tenant due to the fact that the tenant held a valid Block Book Notification on the property, however was not informed of the pending permit activity; the tenant thus lost their opportunity to file for Discretionary Review. When the project sponsor did again subsequently move forward with the proposed removal, the Planning Code had at that point been amended to require Conditional Use Authorization for the removal of the unit.
 - The subject property has two active DBI Complaints. NOV 201481171 was issued due to the illegal unit created behind the commercial space. NOV 201553602 was issued upon inspection of the premises, finding that there was unpermitted construction and expansion of the building at the rear. The unauthorized dwelling unit is located entirely within the originally constructed, legal building envelope. Therefore, legalization of the unit is a distinct and separate issue from legalization of the remaining building envelope at the rear; one is not contingent upon the other.
 - Mr. Yeung has operated his hair salon business at the subject location since April 1999, and when the opportunity arose, purchased the property in 2007. He was not aware at that time that the unit in the rear was illegal or unauthorized. On July 23, 2009, Mr. Yeung and Mr. Klotsman

(tenant of unauthorized unit) entered into a lease and residential tenancy agreement for the unauthorized unit in question.

- Should the Planning Commission deny the Conditional Use Authorization, pursuant to Planning Code Section 317(g)(7), “the property owner shall file an application for a building permit to legalize the Unit.” The subject unit, to be legalized in that case, would be required to comply with all Planning Code and other City code requirements. Pursuant to Planning Code Section 207.3(e), the dwelling unit to be legalized may receive exceptions from the rear yard requirements of Section 134, the usable open space requirements of Section 135, and the light and air requirements of Section 140.

REQUIRED COMMISSION ACTION

In order for the project to proceed, the Commission must grant Conditional Use Authorization pursuant to Planning Code Sections 303 and 317 to allow the removal of an unauthorized dwelling unit at the rear of the ground floor, and conversion of the space to additional commercial floor area for the existing personal service use, within the Polk Street NCD and a 65-A Height and Bulk District.

BASIS FOR RECOMMENDATION

- The project would result in the displacement of an existing tenant, and the elimination of a dwelling unit that is subject to the Residential Rent Stabilization and Arbitration Ordinance.
- Although the property owner indicates that they were unaware that the unit was unauthorized when they purchased the building, the owner subsequently entered into a lease agreement with the current tenant.
- While the proposed conversion would result in additional commercial space, which is consistent with the stated purpose and controls of the Polk Street NCD, residential uses are also permitted at the ground floor within the District. Considering the City’s housing needs, the displacement of an existing tenant and loss of a unit subject to the Residential Rent Stabilization and Arbitration Ordinance, is inconsistent with several key Objectives and Policies of the General Plan, and is not necessary or desirable for the surrounding neighborhood.

RECOMMENDATION:	Disapproval
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Attachments:

Block Book Map

Sanborn Map

Zoning Map

Aerial Photographs

Context Photographs

Site Photographs

CUA/312 Notice

- Project Sponsor Submittal:
- Conditional Use Authorization Application
 - Legalization Cost Estimates and DBI Screening materials
 - Property Appraisal
 - Reduced Plans

Tenant Submittal in Opposition

Attachment Checklist

- | | |
|---|--|
| <input checked="" type="checkbox"/> Executive Summary | <input checked="" type="checkbox"/> Project sponsor submittal |
| <input checked="" type="checkbox"/> Draft Motion | Drawings: <u>Existing Conditions</u> |
| <input checked="" type="checkbox"/> Environmental Determination | <input checked="" type="checkbox"/> Check for legibility |
| <input checked="" type="checkbox"/> Zoning District Map | Drawings: <u>Proposed Project</u> |
| <input type="checkbox"/> Height & Bulk Map | <input checked="" type="checkbox"/> Check for legibility |
| <input checked="" type="checkbox"/> Parcel Map | 3-D Renderings (new construction or significant addition) |
| <input checked="" type="checkbox"/> Sanborn Map | <input type="checkbox"/> Check for legibility |
| <input checked="" type="checkbox"/> Aerial Photo | <input type="checkbox"/> Wireless Telecommunications Materials |
| <input checked="" type="checkbox"/> Context Photos | <input type="checkbox"/> Health Dept. review of RF levels |
| <input checked="" type="checkbox"/> Site Photos | <input type="checkbox"/> RF Report |
| | <input type="checkbox"/> Community Meeting Notice |
| | <input type="checkbox"/> Housing Documents |
| | <input type="checkbox"/> Inclusionary Affordable Housing Program: Affidavit for Compliance |

Exhibits above marked with an "X" are included in this packet

_____AWP_____

Planner's Initials

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SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- Affordable Housing (Sec. 415)
- Jobs Housing Linkage Program (Sec. 413)
- Downtown Park Fee (Sec. 412)
- First Source Hiring (Admin. Code)
- Child Care Requirement (Sec. 414)
- Other

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

Reception:
415.558.6378

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Planning Commission Draft Motion

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ADOPTING FINDINGS RELATING TO THE DISAPPROVAL OF CONDITIONAL USE AUTHORIZATION PURSUANT TO SECTIONS 303 AND 317 OF THE PLANNING CODE TO ALLOW THE REMOVAL OF AN UNAUTHORIZED DWELLING UNIT AT THE REAR OF THE GROUND FLOOR, AND CONVERSION OF THE SPACE TO ADDITIONAL COMMERCIAL FLOOR AREA FOR THE EXISTING PERSONAL SERVICE USE, WITHIN THE POLK STREET NEIGHBORHOOD COMMERCIAL DISTRICT AND A 65-A HEIGHT AND BULK DISTRICT.

PREAMBLE

On May 24, 2014, Michael Klotsman, the tenant of unauthorized unit 2047A Polk Street (hereinafter “tenant”), filed a request for Block Book Notification (BBN) with the Planning Department (hereinafter “Department”), requesting to be notified of all building permit applications reviewed by the Department for the subject property, Lot 002 in Assessor’s Block 0574.

On December 10, 2014, Gary Yeung (hereinafter “property owner”) filed Building Permit Application No. 2014.12.10.3436, to comply with NOV 201481171, remove illegal kitchen (dwelling unit) in rear of commercial space and convert the space to last legal use as storage. On December 10 and 29, 2014, the Department reviewed and approved the subject permit in error without issuing the required BBN notice

to the tenant. On December 30, 2014, the Department of Building Inspection (hereinafter "DBI") issued the subject permit, and on January 7, 2015, the tenant filed Appeal No. 15-004 on the aforementioned permit. On March 16, 2015, the property owner requested cancellation of the permit, which was performed, and the appeal was subsequently dismissed administratively.

On November 9, 2015, Samuel Kwong (hereinafter "project sponsor"), on behalf of the property owner, filed Building Permit Application No. 2015.11.09.2078, to correct NOVs 201481171 and 201553602 and remove the kitchen (dwelling unit), cabinets and cap utilities on the first floor, and remove a portion of the non-permitted first floor addition at the rear of the building.

On March 11, 2016, the Mayor signed Ordinance 33-16 into law, which amended Planning Code Section 317 to require Conditional Use Authorization for the removal of any residential unit, whether authorized or unauthorized. On November 18, 2016, the project sponsor filed an application with the Department for Conditional Use Authorization under Planning Code Sections 303 and 317, to allow the removal of an unauthorized dwelling unit at the rear of the ground floor, and conversion of the space to additional commercial floor area for the existing personal service use, within the Polk Street NCD and a 65-A Height and Bulk District.

On September 14, 2017, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. 2015-015918CUA.

The denial of a Conditional Use Authorization is not defined as a "project" pursuant to CEQA Guidelines Sections 15050(c)(2) and 15378 because there is no corresponding action that would result in a physical change in the environment.

The Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of the applicant, Department staff, and other interested parties.

MOVED, that the Commission hereby does not authorize the Conditional Use requested in Application No. 2015-015918CUA, for the proposed removal of an unauthorized dwelling unit at the rear of the ground floor, and conversion of the space to additional commercial floor area for the existing personal service use, based on the following findings:

FINDINGS

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

1. The above recitals are accurate and constitute findings of this Commission.
2. **Site Description and Present Use.** The subject property is located on the west side of Polk Street, between Broadway and Pacific Avenue, Block 0574, Lot 002. The subject property is located within the Polk Street Neighborhood Commercial District ("NCD") and the 65-A Height and Bulk District. The property is developed as a two-story mixed use building, with the second floor containing a 2-bedroom unit with approximately 1,410 square feet, and the ground floor

containing a front commercial space with approximately 589 square feet, as well as an unauthorized dwelling unit at the rear with approximately 641 square feet. The subject unauthorized dwelling unit has been occupied by the current tenant since August 2009. The property owner is also the business owner of the personal service use (d.b.a. Eclipse Salon) located at the ground floor, however, does not reside in the building.

3. **Surrounding Properties and Neighborhood.** The area surrounding the project site is mixed-use in character, and is located roughly on the border of the Nob Hill and Russian Hill neighborhoods, with the Pacific Heights neighborhood also in proximity, starting just to the west beyond Van Ness Avenue. A variety of commercial establishments are located within ground floor storefronts in the Polk Street NCD, including restaurants, bars, apparel stores, convenience stores, personal service businesses, and other types of retailers. Buildings in the vicinity range in height from one to five stories. Upper floors of buildings are generally occupied by residential units. Larger scale retail uses, tourist hotels, and some taller residential uses are situated along the Van Ness Corridor, outside of the Polk Street NCD to the west. Beyond the immediate Polk Street NCD, the surrounding areas are primarily zoned for moderate density residential uses, however, the Pacific Avenue NCD is also located within close proximity to the project site.
4. **Project Description.** The project sponsor proposes removal of an unauthorized dwelling unit at the rear of the ground floor, and conversion of the space into additional floor area for the existing personal service use (d.b.a. Eclipse Salon) located at the front of the ground floor. This request to remove the unauthorized dwelling unit also represents the project sponsor's effort to abate Planning Enforcement Case No. 2015-005650ENF and Department of Building Inspection Complaint Number 201481171.
5. **Public Comment.** To date, the Department has received communications in opposition to the proposal from the current tenant of the unauthorized dwelling unit.
6. **Planning Code Compliance:** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:
 - A. **Removal of Unauthorized Units.** Planning Code Section 317(g)(6) sets forth criteria for the Planning Commission to consider when reviewing applications for the removal of Unauthorized Units.
 - i. Whether the Unauthorized Unit is eligible for legalization under Section 207.3 of this Code.

The subject Unauthorized Unit is eligible for legalization under Section 207.3. Pursuant to that Section, one unauthorized dwelling unit per lot may be granted legal status regardless of the density limits of the zoning district, provided that residential uses are principally permitted within the subject District and the unauthorized unit was constructed prior to January 1, 2013. Further, a unit shall not be eligible for legalization if any tenant has been evicted from the unit in question, where the tenant was served with the notice of eviction after March 13, 2014. A dwelling unit authorized under this Section must satisfy all applicable requirements of the Planning Code except for the rear yard requirements set forth in Section 134, the usable open

space requirements set forth in Section 135, and the light and air requirements set forth in Section 140.

The subject Unauthorized Unit meets all requirements of Section 207.3 in the following manner. The unit was constructed prior to January 1, 2013 and is the only such unit on the property that would be pursuing legalization. Residential uses are principally permitted at all floors within the Polk Street NCD. Lastly, information provided by the Rent Board does not show any evidence of evictions since March 13, 2014. If the subject unauthorized unit were to pursue legalization under this Section, it would receive exceptions from the rear yard, open space, and exposure requirements, as allowed under Code. Subsequent review of a Building Permit Application requesting legalization would ensure compliance with all other relevant Planning Codes, including requirements for bicycle parking and street trees.

- ii. Whether the costs to legalize the Unauthorized Unit under the Planning, Building, and other applicable Codes is reasonable based on how such cost compares to the average cost of legalization per unit derived from the cost of projects on the Planning Department's Master List of Additional Dwelling Units Approved required by Section 207.3(k) of this Code.

The cost to legalize the Unauthorized Unit is not reasonable on this basis. The project sponsor has provided an estimate of the cost to legalize the unit, calculated using the 2016 DBI Cost Schedule and cost schedules from the SFPUC and PG&E for other items, as relevant. The required scopes of work to legalize the unit were identified through the DBI Legalization Screening Form process and a pre-application meeting held with a DBI inspector on May 16, 2017. The total estimated cost to legalize the unit was found to be \$73,276, which is greater than the average per unit legalization cost as maintained by the Department, currently at approximately \$58,000. As the estimated cost to legalize the unit exceeds the average cost of legalization, this cost is not reasonable under the Planning Code.

- iii. Whether it is financially feasible to legalize the Unauthorized Unit. Such determination will be based on the costs to legalize the Unauthorized Unit under the Planning, Building, and other applicable Codes in comparison to the added value that legalizing said Units would provide to the subject property. The gain in the value of the subject property shall be based on the current value of the property with the Unauthorized Unit compared to the value of the property if the Unauthorized Unit is legalized. The calculation of the gain in value shall be conducted and approved by a California licensed property appraiser. Legalization would be deemed financially feasible if gain in the value of the subject property is equal to or greater than the cost to legalize the Unauthorized Unit.

Legalization of the unit is not financially feasible on this basis. The project sponsor has submitted an appraisal of the property conducted and approved by a California licensed property appraiser. The appraised value of the property considered the current and future rents that may be obtained by the property owner from the unit in question. As the Unauthorized Unit is currently occupied by a tenant and is also under rent control, the current and future obtained rents are the same, regardless whether the unit is unauthorized or legal. The appraisal thus found that the current

value of the property, at \$1.86 million, is also the expected value of the property following legalization of the unit. As there is no corresponding gain in value of the subject property, the cost to legalize the unit, estimated above at \$73,276, would far exceed any benefit conferred to the property's value, and the proposal would not be financially feasible under the Planning Code.

- iv. If no City funds are available to assist the property owner with the cost of legalization, whether the cost would constitute a financial hardship.

The project sponsor has not indicated whether the cost to legalize would constitute a financial hardship, however, has acknowledged that there are numerous costly building retrofits that must be performed in order to legally bring the unit into Code compliance.

B. Residential Conversion. Planning Code Section 317(g)(3) sets forth criteria for the Planning Commission to consider when reviewing applications for Residential Conversion.

- i. Whether conversion of the unit would eliminate only owner occupied housing, and if so, for how long the unit proposed to be removed was owner occupied.

The unit proposed for conversion to commercial space is not owner-occupied. The current tenant has occupied the unit since August 2009.

- ii. Whether Residential Conversion would provide desirable new Non-Residential Uses appropriate for the neighborhood and adjoining districts.

The proposed conversion will result in additional floor area for the existing personal service business (d.b.a. Eclipse Salon) currently located at the front half of the ground floor. This use and resulting size are compatible with the Polk Street NCD controls. The additional floor area dedicated to the business is seen as desirable to the business owner, who wishes to expand his growing business in order to meet demand. However, the loss of the existing unauthorized dwelling unit would not be seen as desirable for the current tenant of that unit, or in consideration of the City's housing goals generally.

- iii. In districts where Residential Uses are not permitted, whether Residential Conversion will bring the building closer into conformance with the Uses permitted in the Zoning District.

Residential Uses are permitted within the Polk Street NCD, including such residential uses at the ground floor. Conversion to commercial use, or legalization of the unit, both would have no effect on the building's conformance with the uses permitted in the District.

- iv. Whether conversion of the unit will be detrimental to the City's housing stock.

The proposed conversion of the unit will be detrimental to the City's housing stock. The City is currently experiencing a housing and affordability crisis. The unauthorized unit in question has an existing tenant and the unit is subject to rent control.

- v. Whether conversion of the unit is necessary to eliminate design, functional, or habitability deficiencies that cannot otherwise be corrected.

The conversion of the unit will require some level of work in order to comply with Planning, Building, and other applicable Codes, however, all identified deficiencies are possible to correct and there is an identified pathway to legalization for the unit in question.

- vi. Whether the Residential Conversion will remove Affordable Housing, or units subject to the Residential Rent Stabilization and Arbitration Ordinance.

The proposed Residential Conversion will remove a unit that is subject to the Residential Rent Stabilization and Arbitration Ordinance.

- C. **Use Size.** Planning Code Sections 121.2 and 723 state that Conditional Use Authorization is required for non-residential uses greater than 2,499 square feet within the Polk Street NCD.

The existing commercial personal service use space is approximately 589 square feet. The proposed conversion of residential space to additional commercial space for the business would result in a total approximate square footage of 1,230 square feet; therefore, the proposed use size is principally permitted within the District.

- D. **Floor Area Ratio.** Planning Code Sections 124 and 723 set forth a Floor Area Ratio not to exceed 2.5 to 1 within the Polk Street NCD.

After the proposed conversion, the resulting square footage of the personal service use would be approximately 1,230 square feet. Floor Area Ratio limits shall not apply to residential uses in NC Districts, therefore, with a lot area of 2,064 square feet, the proposed FAR is approximately 0.6.

- E. **Personal Service Use.** Planning Code Section 723 states that Personal Service uses located at the first and second floor are principally permitted within the Polk Street NCD.

The proposed project would result in a personal service use located at the ground floor.

- 7. **Planning Code Section 303** establishes criteria for the Planning Commission to consider when reviewing applications for Conditional Use approval. On balance, the project does not comply with said criteria in that:

- A. The proposed new uses and building, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable, and compatible with, the neighborhood or the community.

The proposed conversion from residential to commercial space will provide additional square footage for the existing personal service use at the ground floor of the building. This proposal would result in a use at a size and intensity that is compatible with the neighborhood and consistent with the stated purpose of the Polk NCD zoning controls. The business owner, who is also the subject property owner,

views this conversion and subsequent expansion as necessary and desirable, in order to grow his business and meet neighborhood demand for the personal service use offered.

However, the proposed conversion would also result in the elimination of a residential dwelling unit, which is both currently occupied by a tenant who has been present in the unit since 2009, and is subject to rent control. The displacement of this tenant and the elimination of a rent-controlled unit of housing is not necessary nor desirable when considering the City's current housing and affordability crisis. It would be very difficult for the tenant to secure any comparable replacement housing, whereas there are many examples of existing, vacant commercial storefronts throughout the City that would also permit personal service uses.

- B. The proposed project will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity. There are no features of the project that could be detrimental to the health, safety or convenience of those residing or working the area, in that:

- i. Nature of proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;

The proposed project would not alter the exterior building envelope and would therefore have no impact on the proposed site, structures in the vicinity, or neighborhood.

- ii. The accessibility and traffic patterns for persons and vehicles, the type and volume of such traffic, and the adequacy of proposed off-street parking and loading;

The Planning Code does not require parking or loading for a 1,230 square-foot personal service use. The proposed use is designed to meet the needs of the immediate neighborhood and should not generate significant amounts of vehicular trips from the immediate neighborhood or citywide.

- iii. The safeguards afforded to prevent noxious or offensive emissions such as noise, glare, dust and odor;

The proposed project would not result in any noxious or offensive emissions such as noise, glare, dust and odor.

- iv. Treatment given, as appropriate, to such aspects as landscaping, screening, open spaces, parking and loading areas, service areas, lighting and signs;

The proposed project would not require any additional treatments related to landscaping, screening, open spaces, parking and loading areas, service areas, lighting or signs.

- C. That the use as proposed will comply with the applicable provisions of the Planning Code and will not adversely affect the General Plan.

The Project complies with all relevant requirements and standards of the Planning Code, however is not consistent with objectives and policies of the General Plan as detailed below.

- D. That the use as proposed would provide development that is in conformity with the purpose of the applicable Neighborhood Commercial District.

The proposed project is consistent with the stated purposes of the Polk Street NCD in that the intended use is located at the ground floor and will provide a compatible convenience service for the immediately surrounding neighborhoods during daytime hours, and is not an additional eating or drinking use. However, as described elsewhere in this motion, the proposed project also results in displacement of an existing tenant and elimination of a viable housing unit. Housing uses are also compatible within the Polk Street NCD.

8. **General Plan Compliance.** The Project is, on balance, not consistent with the following Objectives and Policies of the General Plan:

HOUSING

Objectives and Policies

OBJECTIVE 2:

RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS, WITHOUT JEOPARDIZING AFFORDABILITY.

Policy 2.1:

Discourage the demolition of sound existing housing, unless the demolition results in a net increase in affordable housing.

Policy 2.4:

Promote improvements and continued maintenance to existing units to ensure long term habitation and safety.

OBJECTIVE 3:

PROTECT THE AFFORDABILITY OF THE EXISTING HOUSING STOCK, ESPECIALLY RENTAL UNITS.

Policy 3.1:

Preserve rental units, especially rent controlled units, to meet the City's affordable housing needs.

Policy 3.4:

Preserve "naturally affordable" housing types, such as smaller and older ownership units.

The proposed project and conversion of residential to non-residential space will not retain existing housing units, nor will it protect the affordability of the existing housing stock. The removal of the subject unauthorized unit would result in a net decrease of one unit to the City's overall housing stock. While legalization of the unit would require certain scopes of work to be performed in order to comply with all relevant City codes, the unit is sound with a path to legalization. The improvements that would be required through legalization, would help to ensure long term habitation and safety. The demolition of the unit also

would not result in any net increase to the City's affordable housing. Conversely, the proposed project would result in the elimination of an affordable rental unit, one that is both subject to rent control, and considered naturally affordable due to its modest size of approximately 641 square feet and with one bedroom.

COMMERCE AND INDUSTRY – NEIGHBORHOOD COMMERCE

Objectives and Policies

OBJECTIVE 6:

MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO RESIDENTS.

Policy 6.3:

Preserve and promote the mixed commercial-residential character in neighborhood commercial districts. Strike a balance between the preservation of existing affordable housing and needed expansion of commercial activity.

In the case of the proposed project, the need for additional commercial space in the District has not been clearly established, whereas the need to preserve affordable housing may be presumed in light of the citywide shortage of such housing. It would be very difficult for the tenant to secure any comparable replacement housing, whereas there are many examples of existing, vacant commercial storefronts throughout the City, and even within the subject Neighborhood Commercial District, which would also permit personal service uses.

9. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project does not comply with said policies in that:

- A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

The proposed project would facilitate the expansion of an existing neighborhood-serving retail use, helping to preserve and enhance future employment opportunities for the neighborhood, and helping to ensure the continued viability of the business. However, the elimination of a dwelling unit would also result in the net loss of neighborhood residents, and therefore potential customers for neighborhood businesses more broadly.

- B. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

The proposed project would eliminate one existing housing unit that is currently occupied, subject to rent control, and naturally affordable due to its small size.

- C. That the City's supply of affordable housing be preserved and enhanced,

The proposed project would eliminate one existing housing unit that is currently occupied, subject to rent control, and naturally affordable due to its small size.

- D. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

The proposed project would have no effect on commuter traffic or neighborhood parking.

- E. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.

The proposed project would not displace any service or industry establishment, and would instead enhance opportunities for resident employment in the personal service use by expanding the commercial square footage. However, denial of the Conditional Use Authorization, and retention of the existing housing unit would also not result in the displacement of any industry or service establishment; the existing business would be retained at its current size.

- F. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

The proposed project will be constructed to conform to the structural and seismic safety requirements of the City Building Code. However, denial of the Conditional Use Authorization and legalization of the existing housing unit, would also result in greater preparedness to protect against injury in that the unit would be required to comply with all relevant City codes, including structural requirements.

- G. That landmarks and historic buildings be preserved.

A landmark or historic building does not occupy the Project site.

- H. That our parks and open space and their access to sunlight and vistas be protected from development.

The project will have no negative effect on existing parks and open spaces.

10. The Project is inconsistent with and would not promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would not contribute to the character and stability of the neighborhood and would not constitute a beneficial development.
11. The Commission hereby finds that approval of the Conditional Use authorization would not promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **DISAPPROVES Conditional Use Application No. 2015-015918CUA**.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion No. XXXXX. The effective date of this Motion shall be the date of this Motion if not appealed (After the 30-day period has expired) OR the date of the decision of the Board of Supervisors if appealed to the Board of Supervisors. For further information, please contact the Board of Supervisors at (415) 554-5184, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

Protest of Fee or Exaction: You may protest any fee or exaction subject to Government Code Section 66000 that is imposed as a condition of approval by following the procedures set forth in Government Code Section 66020. The protest must satisfy the requirements of Government Code Section 66020(a) and must be filed within 90 days of the date of the first approval or conditional approval of the development referencing the challenged fee or exaction. For purposes of Government Code Section 66020, the date of imposition of the fee shall be the date of the earliest discretionary approval by the City of the subject development.

If the City has not previously given Notice of an earlier discretionary approval of the project, the Planning Commission's adoption of this Motion, Resolution, Discretionary Review Action or the Zoning Administrator's Variance Decision Letter constitutes the approval or conditional approval of the development and the City hereby gives **NOTICE** that the 90-day protest period under Government Code Section 66020 has begun. If the City has already given Notice that the 90-day approval period has begun for the subject development, then this document does not re-commence the 90-day approval period.

I hereby certify that the Planning Commission **ADOPTED** the foregoing Motion on September 14, 2017.

Jonas P. Ionin
Commission Secretary

AYES:

NAYS:

ABSENT:

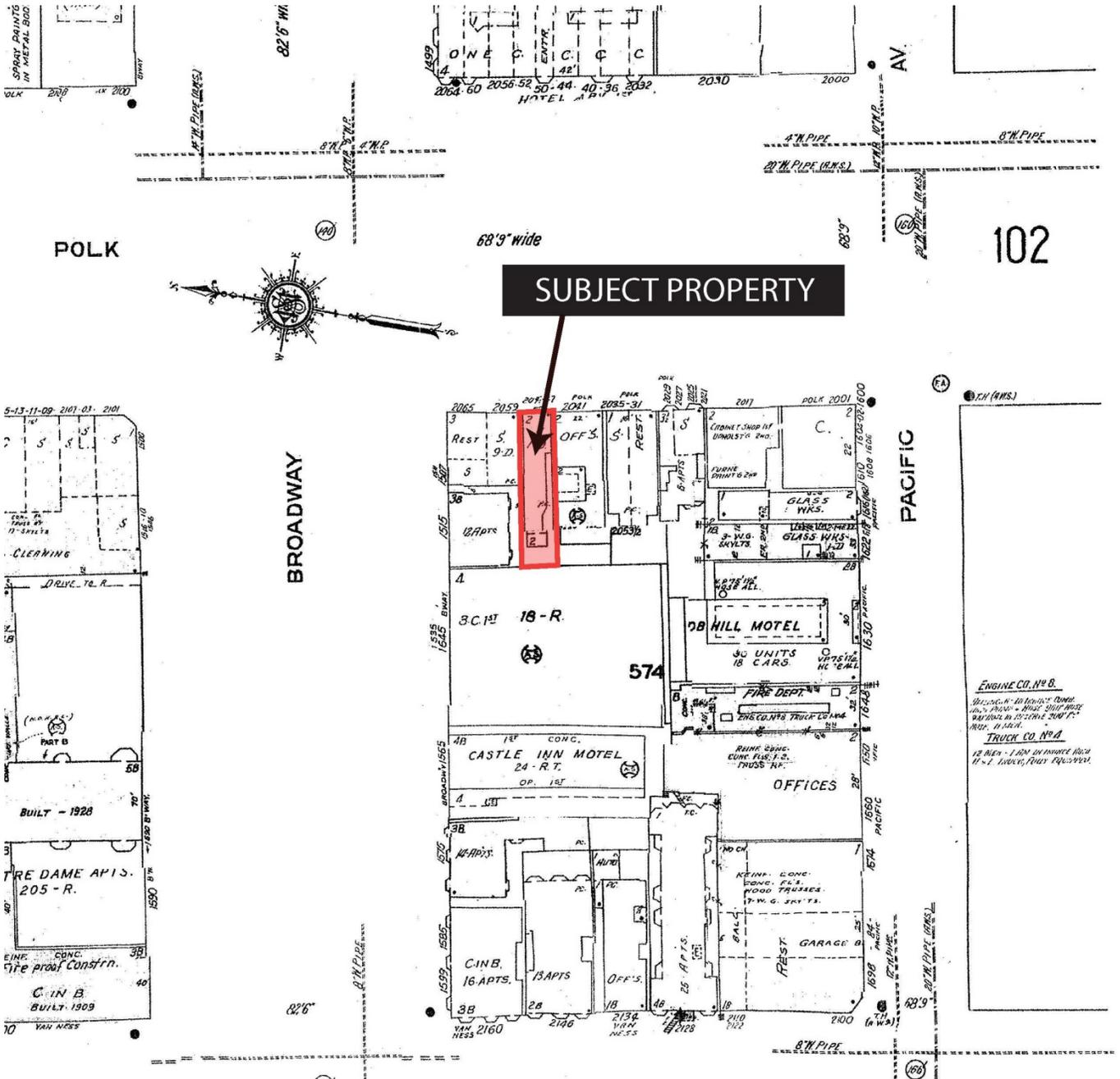
ADOPTED: September 14, 2017

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Exhibits

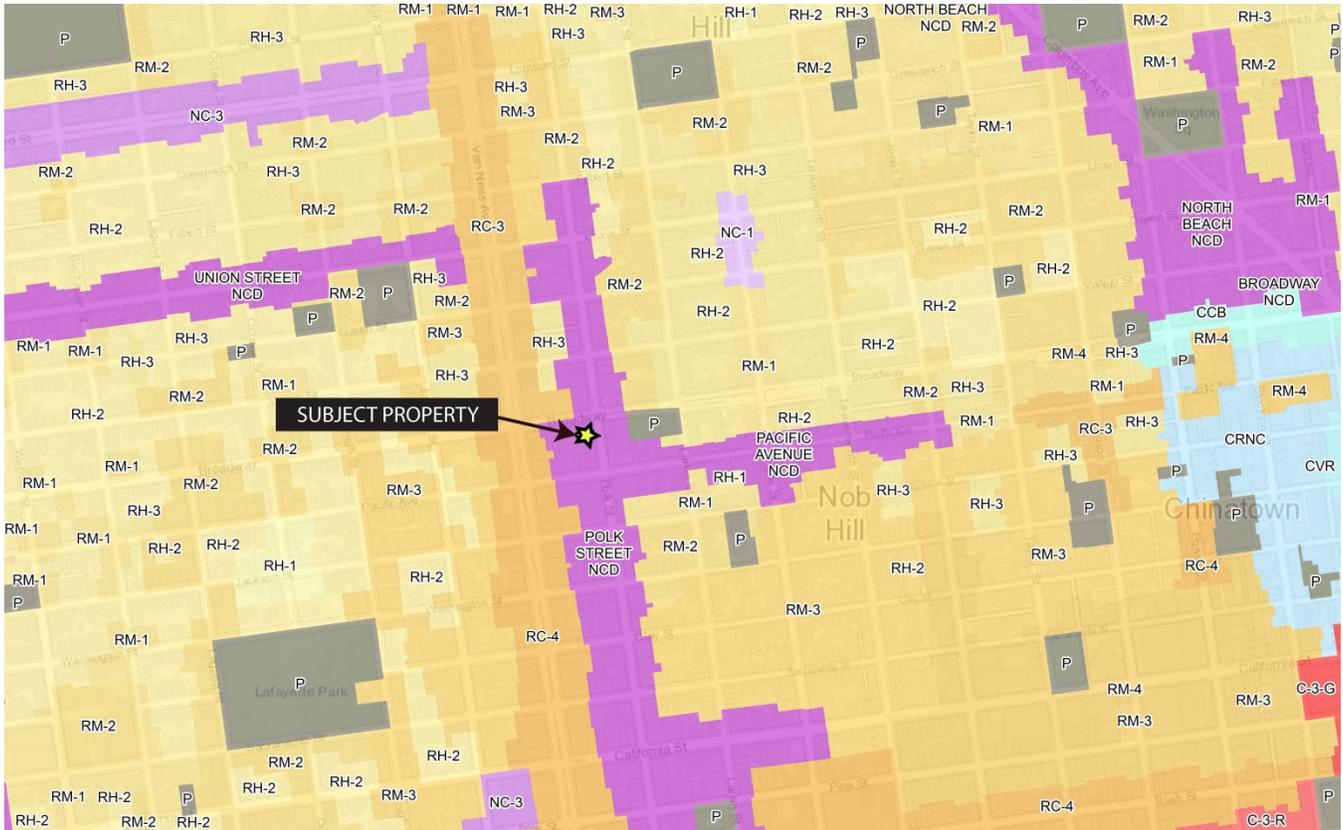
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Sanborn Map*

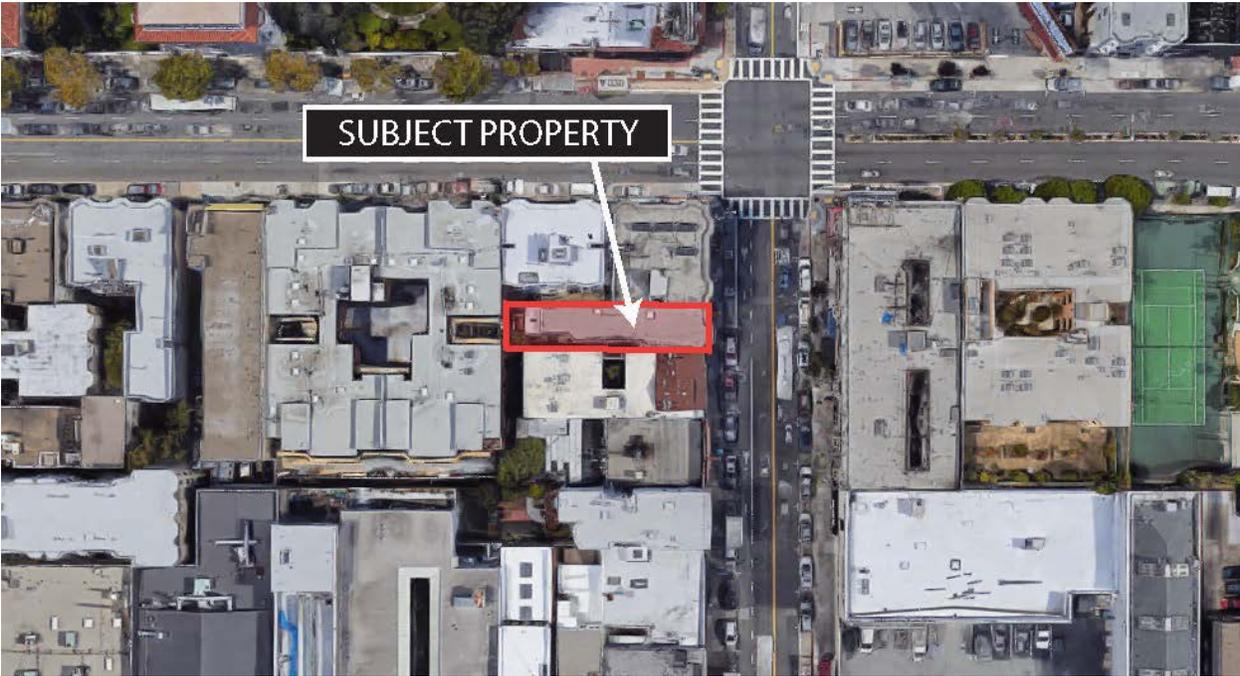


* The Sanborn Maps in San Francisco have not been updated since 1998, and this map may not accurately reflect existing conditions.

Zoning Map



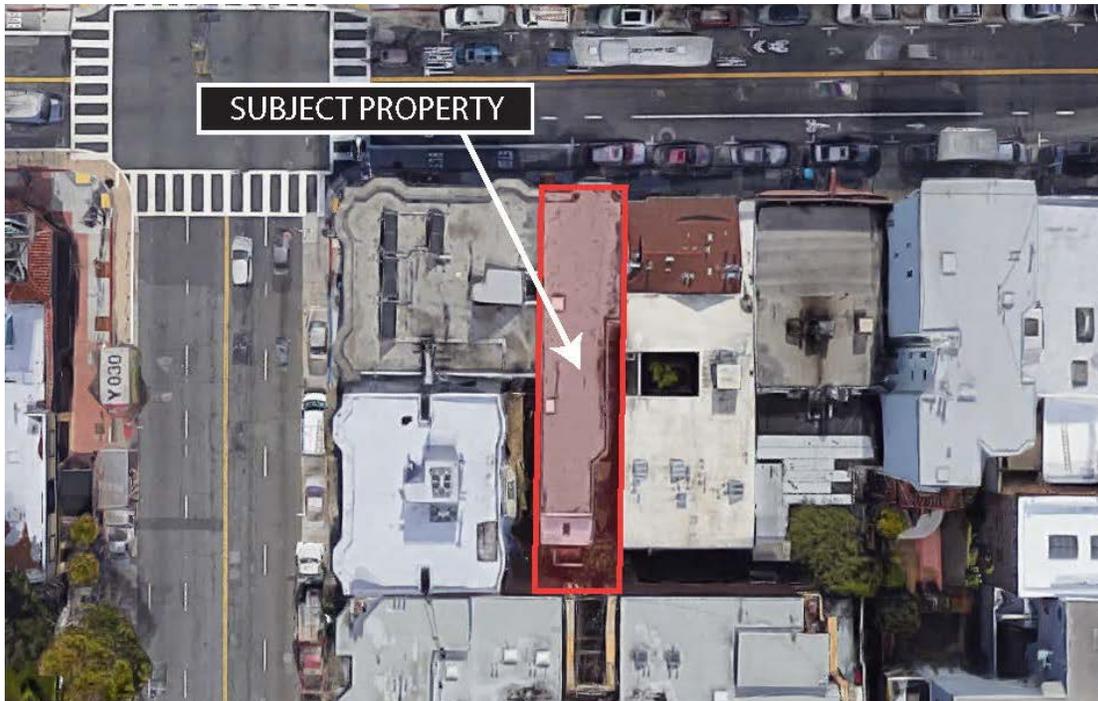
Aerial Photos (oriented north)



(oriented west)



(oriented east)



Context Photos

(Looking west, opposite Subject Property)



(looking north along Polk)



(looking south along Polk)



(looking west along Broadway)



Site Photos – provided from Appraisal Report

Walkway along southern side of property, entrance to Unauthorized Unit



(Living Area of Unauthorized Unit)



(Kitchen of Unauthorized Unit)



(Bedroom of Unauthorized Unit)



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**SAN FRANCISCO
PLANNING DEPARTMENT**

1650 Mission Street, Suite 400 • San Francisco, CA 94103 • Fax (415) 558-6409

NOTICE OF PUBLIC HEARING

Hearing Date: **Thursday, September 14, 2017**
 Time: **Not before 12:00 PM (noon)**
 Location: **City Hall, 1 Dr. Carlton B. Goodlett Place, Room 400**
 Case Type: **Conditional Use**
 Hearing Body: **Planning Commission**

PROPERTY INFORMATION	APPLICATION INFORMATION
Project Address: 2047 Polk Street	Case No.: 2015-015918CUA
Cross Street(s): Broadway & Pacific	Building Permit: 2015.11.09.2078
Block /Lot No.: 0574 / 002	Applicant: Samuel Kwong
Zoning District(s): Polk Street NCD / 65-A	Telephone: (415) 391-3313
Area Plan: N/A	E-Mail: samkwong-arcus@pacbell.net

PROJECT DESCRIPTION

The request is for Conditional Use authorization pursuant to Planning Code Sections 303 and 317, proposing the removal of an Unauthorized Unit at the rear of the ground floor, behind the existing commercial space, and which would then be converted to additional commercial space for the existing Personal Service business (d.b.a. Eclipse Salon). The subject application seeks to abate Planning Enforcement Case No. 2015-005650ENF and DBI Complaint No. 201481171, opened due to the presence of the unauthorized dwelling unit.

For tenant counseling and/or legal services please refer to the following resources:

Rent Board: <http://sfrb.org/sites/default/files/FileCenter/Documents/1917-590%20Referral%20List%2008-15.pdf>

MOHCD: <http://sfmohcd.org/sites/default/files/FileCenter/Documents/8077-SF%20Housing%20Resource%20Guide%201.28.2016.pdf>

A Planning Commission approval at the public hearing would constitute the Approval Action for the project for the purposes of CEQA, pursuant to San Francisco Administrative Code Section 31.04(h).

ADDITIONAL INFORMATION

ARCHITECTURAL PLANS: If you are interested in viewing the plans for the proposed project please contact the planner listed below. The plans and Department recommendation of the proposed project will be available prior to the hearing through the Planning Commission agenda at: <http://www.sf-planning.org> or by request at the Planning Department office located at 1650 Mission Street, 4th Floor.

Members of the public are not required to provide personal identifying information when they communicate with the Commission or the Department. All written or oral communications, including submitted personal contact information, may be made available to the public for inspection and copying upon request and may appear on the Department’s website or in other public documents.

FOR MORE INFORMATION, PLEASE CONTACT PLANNING DEPARTMENT STAFF:

Planner: **Andrew Perry** Telephone: **(415) 575-9017** E-Mail: andrew.perry@sfgov.org

GENERAL INFORMATION ABOUT PROCEDURES

HEARING INFORMATION

You are receiving this notice because you are either a property owner or resident that is adjacent to the proposed project or are an interested party on record with the Planning Department. **You are not required to take any action. For more information regarding the proposed work, or to express concerns about the project, please contact the Applicant or Planner listed on this notice as soon as possible.** Additionally, you may wish to discuss the project with your neighbors and/or neighborhood association as they may already be aware of the project.

Persons who are unable to attend the public hearing may submit written comments regarding this application to the Planner listed on the front of this notice, Planning Department, 1650 Mission Street, Suite 400, San Francisco, CA 94103, by 5:00 pm the day before the hearing. These comments will be made a part of the official public record and will be brought to the attention of the person or persons conducting the public hearing.

Comments that cannot be delivered by 5:00 pm the day before the hearing may be taken directly to the hearing at the location listed on the front of this notice. Comments received at 1650 Mission Street after the deadline will be placed in the project file, but may not be brought to the attention of the Planning Commission at the public hearing.

BUILDING PERMIT APPLICATION INFORMATION

Pursuant to Planning Code Section 311 or 312, the Building Permit Application for this proposal may also be subject to a 30-day notification of property owners and residents within 150-feet of the subject property. **This notice covers the Section 311 or 312 notification requirements, if required.**

APPEAL INFORMATION

An appeal of the approval (or denial) of a **Conditional Use application** and/or building permit application associated with the Conditional Use application may be made to the **Board of Supervisors within 30 calendar days** after the date of action by the Planning Commission pursuant to the provisions of Section 308.1(b). Appeals must be submitted in person at the Board's office at 1 Dr. Carlton B. Goodlett Place, Room 244. For further information about appeals to the Board of Supervisors, including current fees, contact the Clerk of the Board of Supervisors at (415) 554-5184.

An appeal of the approval (or denial) of a **building permit application** by the Planning Commission may be made to the **Board of Appeals within 15 calendar days** after the building permit is issued (or denied) by the Director of the Department of Building Inspection. Appeals must be submitted in person at the Board's office at 1650 Mission Street, 3rd Floor, Room 304. For further information about appeals to the Board of Appeals, including current fees, contact the Board of Appeals at (415) 575-6880.

Pursuant to California Government Code Section 65009, if you challenge, in court, the decision of an entitlement or permit, the issues raised shall be limited to those raised in the public hearing or in written correspondence delivered to the Planning Commission prior to, or at, the public hearing.

ENVIRONMENTAL REVIEW

This project has undergone preliminary review pursuant to California Environmental Quality Act (CEQA). If, as part of this process, the Department's Environmental Review Officer has deemed this project to be exempt from further environmental review, an exemption determination has been prepared and can be obtained through the Exemption Map, on-line, at www.sfplanning.org. An appeal of the decision **to exempt the proposed project from CEQA may be made to the Board of Supervisors within 30 calendar days** after the project approval action identified on the determination. The procedures for filing an appeal of an exemption determination are available from the Clerk of the Board at City Hall, Room 244, or by calling (415) 554-5184.

Under CEQA, in a later court challenge, a litigant may be limited to raising only those issues previously raised at a hearing on the project or in written correspondence delivered to the Board of Supervisors, Planning Commission, Planning Department or other City board, commission or department at, or prior to, such hearing, or as part of the appeal hearing process on the CEQA decision.

APPLICATION FOR Conditional Use Authorization

1. Owner/Applicant Information

PROPERTY OWNER'S NAME: MR. GARY YEUNG		
PROPERTY OWNER'S ADDRESS: 2047 POLK ST. SAN FRANCISCO CA 94109		TELEPHONE: (415) 828-9119
		EMAIL: eclipsesalon@gmail.com
APPLICANT'S NAME: SAMUEL KWONG Same as Above <input type="checkbox"/>		
APPLICANT'S ADDRESS: ARCUS ARCHITECTURE + PLANNING 61 WALTER U. WIM PL. SAN FRANCISCO CA 94108		TELEPHONE: (415) 391-3313
		EMAIL: samkwong-arcusepabell.net
CONTACT FOR PROJECT INFORMATION: S Same as Above <input checked="" type="checkbox"/>		
ADDRESS:		TELEPHONE: ()
		EMAIL:
COMMUNITY LIAISON FOR PROJECT (PLEASE REPORT CHANGES TO THE ZONING ADMINISTRATOR): Same as Above <input type="checkbox"/>		
ADDRESS:		TELEPHONE: ()
		EMAIL:

2. Location and Classification

STREET ADDRESS OF PROJECT: 2047 POLK STREET, SAN FRANCISCO CA		ZIP CODE: 94109
CROSS STREETS: BROADWAY		
ASSESSORS BLOCK/LOT: 0974 / 002	LOT DIMENSIONS: 20.667 x 100	LOT AREA (SQ FT): 2066.7
ZONING DISTRICT: NCD-POLK ST.		HEIGHT/BULK DISTRICT: 65-A

3. Project Description

(Please check all that apply) <input type="checkbox"/> Change of Use <input type="checkbox"/> Change of Hours <input type="checkbox"/> New Construction <input type="checkbox"/> Alterations <input type="checkbox"/> Demolition <input checked="" type="checkbox"/> Other Please clarify:	ADDITIONS TO BUILDING: <input type="checkbox"/> Rear <input type="checkbox"/> Front <input type="checkbox"/> Height <input type="checkbox"/> Side Yard	PRESENT OR PREVIOUS USE: R-3 RESIDENTIAL UNIT
		PROPOSED USE: COMMERCIAL - RETAIL (U)
		BUILDING APPLICATION PERMIT NO.: 2015-1109-207B
		DATE FILED: 11-09-2015
REMOVE ILLEGAL UNIT		

4. Project Summary Table

If you are not sure of the eventual size of the project, provide the maximum estimates.

	EXISTING USES:	EXISTING USES TO BE RETAINED:	NET NEW CONSTRUCTION AND/OR ADDITION:	PROJECT TOTALS:
PROJECT FEATURES				
Dwelling Units	2	1		1
Hotel Rooms				
Parking Spaces				
Loading Spaces				
Number of Buildings				
Height of Building(s)				
Number of Stories	2	2		
Bicycle Spaces				
GROSS SQUARE FOOTAGE (GSF)				
1ST FL. Residential	649	0		
Retail	517	517	649	
Office				
Industrial/PDR <small>Production, Distribution, & Repair</small>				
Parking				
Other (Specify Use)				
TOTAL GSF				

Please describe any additional project features that are not included in this table:
 (Attach a separate sheet if more space is needed)

5. Action(s) Requested (Include Planning Code Section which authorizes action)

ELIMINATION OF ILLEGAL UNIT

Conditional Use Findings

Pursuant to Planning Code Section 303(c), before approving a conditional use authorization, the Planning Commission needs to find that the facts presented are such to establish the findings stated below. In the space below and on separate paper, if necessary, please present facts sufficient to establish each finding.

1. That the proposed use or feature, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable for, and compatible with, the neighborhood or the community; and
2. That such use or feature as proposed will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity, or injurious to property, improvements or potential development in the vicinity, with respect to aspects including but not limited to the following:
 - (a) The nature of the proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;
 - (b) The accessibility and traffic patterns for persons and vehicles, the type and volume of such traffic, and the adequacy of proposed off-street parking and loading;
 - (c) The safeguards afforded to prevent noxious or offensive emissions such as noise, glare, dust and odor;
 - (d) Treatment given, as appropriate, to such aspects as landscaping, screening, open spaces, parking and loading areas, service areas, lighting and signs; and
3. That such use or feature as proposed will comply with the applicable provisions of this Code and will not adversely affect the Master Plan.

SEE ATTACHMENT

Priority General Plan Policies Findings

Proposition M was adopted by the voters on November 4, 1986. It requires that the City shall find that proposed projects and demolitions are consistent with eight priority policies set forth in Section 101.1 of the City Planning Code. These eight policies are listed below. Please state how the project is consistent or inconsistent with each policy. Each statement should refer to specific circumstances or conditions applicable to the property. Each policy must have a response. IF A GIVEN POLICY DOES NOT APPLY TO YOUR PROJECT, EXPLAIN WHY IT DOES NOT.

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

SEE ATTACHMENT

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

Sim

3. That the City's supply of affordable housing be preserved and enhanced;

Sim

4. That commuter traffic not impede Muni transit service or overburden our streets or neighborhood parking;

Sim

CASE NUMBER
For Staff Use only

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;

SEE ATTACHMENT.

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;

sim

7. That landmarks and historic buildings be preserved; and

sim

8. That our parks and open space and their access to sunlight and vistas be protected from development.

sim

Estimated Construction Costs

TYPE OF APPLICATION: CONDITIONAL USE- REMOVAL OF UNIT (NON-PERMITTED)	
OCCUPANCY CLASSIFICATION: R-3 TO M (RETAIL)	
BUILDING TYPE: II-B	
TOTAL GROSS SQUARE FEET OF CONSTRUCTION: REMOVE KITCHEN ADD AUTOMATIC DOOR OPENER TO STORE	BY PROPOSED USES: HAIR SALON
ESTIMATED CONSTRUCTION COST: 10,000.00	
ESTIMATE PREPARED BY: SAMUEL KWONG, ARCUS ARCHITECTURE + PLANNING	
FEE ESTABLISHED:	

Applicant's Affidavit

Under penalty of perjury the following declarations are made:

- a: The undersigned is the owner or authorized agent of the owner of this property.
- b: The information presented is true and correct to the best of my knowledge.
- c: The other information or applications may be required.

Signature: 

Date: 10/26/16

Print name, and indicate whether owner, or authorized agent.
authorized agent
Owner / Authorized Agent (circle one)

Application Submittal Checklist

Applications listed below submitted to the Planning Department must be accompanied by this checklist and all required materials. The checklist is to be completed and **signed by the applicant or authorized agent and a department staff person.**

APPLICATION MATERIALS	CHECKLIST
Application, with all blanks completed	<input checked="" type="checkbox"/>
300-foot radius map, if applicable	<input type="checkbox"/>
Address labels (original), if applicable	<input type="checkbox"/>
Address labels (copy of the above), if applicable	<input type="checkbox"/>
Site Plan	<input checked="" type="checkbox"/>
Floor Plan	<input checked="" type="checkbox"/>
Elevations	<input type="checkbox"/>
Section 303 Requirements	<input type="checkbox"/>
Prop. M Findings	<input checked="" type="checkbox"/>
Historic photographs (if possible), and current photographs	<input type="checkbox"/>
Check payable to Planning Dept.	<input type="checkbox"/>
Original Application signed by owner or agent	<input checked="" type="checkbox"/>
Letter of authorization for agent	<input type="checkbox"/>
Other: Section Plan, Detail drawings (ie. windows, door entries, trim), Specifications (for cleaning, repair, etc.) and/or Product cut sheets for new elements (ie. windows, doors)	<input type="checkbox"/>

NOTES:

- Required Material. Write "N/A" if you believe the item is not applicable, (e.g. letter of authorization is not required if application is signed by property owner.)
- Typically would not apply. Nevertheless, in a specific case, staff may require the item.
- Two sets of original labels and one copy of addresses of adjacent property owners and owners of property across street.

After your case is assigned to a planner, you will be contacted and asked to provide an electronic version of this application including associated photos and drawings.

Some applications will require additional materials not listed above. The above checklist does not include material needed for Planning review of a building permit. The "Application Packet" for Building Permit Applications lists those materials.

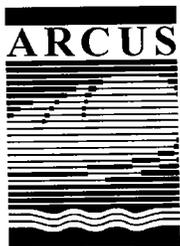
No application will be accepted by the Department unless the appropriate column on this form is completed. Receipt of this checklist, the accompanying application, and required materials by the Department serves to open a Planning file for the proposed project. After the file is established it will be assigned to a planner. At that time, the planner assigned will review the application to determine whether it is complete or whether additional information is required in order for the Department to make a decision on the proposal.

For Department Use Only

Application received by Planning Department:

By: _____

Date: _____



Date: September 26th 2016

Owner: Gary Yeung
Address: 2047 Polk Street, San Francisco CA 94109

Block: 0574 Lot: 002

Zoning District: NCD, Polk Street Neighborhood Commercial District
Permit Application 2015-1109-2078
NOV #201481171, #201553602

ARCHITECTURE
+ PLANNING

61 Walter U. Lum
Place, Third Floor
San Francisco, CA
94108-1801 USA
(415) 391 - 3313
(Fax) 391 - 3649

New Application Conditional Use Findings

Project Background

This building in question is a two-story structure with the ground floor consisting of a beauty salon, a non-permitted residential unit and the upper floor is a residential unit. When Mr. Yeung brought the building, the unit on the ground floor was already in existence.

Mr. Yeung did permit history search in 2014 and discovered the ground floor residential unit was illegal. He applied for the plumbing permit to remove the stove. Later the Board of Appeal hearing issued a judgment to convert the unit to commercial use.

The Board of Appeal issued a decision letter on 10/8/14 suspending a plumbing permit (PP20140530128) relating to removing a stove and capping the gas line at the non-permitted apartment behind the hair salon. Subsequently, a Notice of Violations was issued by the Building Department citing a non-permitted residential unit constructed in the back of the ground floor commercial retail space and that the building appears to have an illegal horizontal addition. A permit application was filed in November 2015 to correct the violation work. Subsequently we submitted historical documents to the Planning Department and on August 2015, the Zoning Administrator determined that the initial expansion at the rear of the building beyond the initial 80' length of the building is legal and permitted. However the ground expansion that was built later is illegal and must be removed. In October 2014 the Board of Appeals issued a ruling requiring Mr. Yeung "to remove the illegal unit and to revert the space to the last legal use." The Owner Mr. Gary Yeung is endeavoring to comply with that order.

Mr. Yeung has been operating a hair salon business at this location since April 1999. Since then, business at Eclipse Salon has been growing steadily. Currently, there are six hair stylists and there is a need for expansion and to provide additional workspace for additional hair stylist. Mr Yeung would like to convert the non-permitted residential unit back to the last legal use, which was commercial.

Proposed Conditional Use

A Conditional Use is necessary for the following reason:

Elimination of a unit and to return the ground floor use to its original permitted use as a commercial space based on building permit #9604677. After being a tenant at the property, Mr. Yeung purchased the property in 2007, but he was not aware that the unit in the rear was illegal until in 2014 when a plumbing permit was filed for removal of stove and capping of gas line at the unit. Upon permit history research and actions taken by the Board of Permit Appeals that an illegal unit is on the property, the owner decided it is best to convert the ground floor residential unit space back to its legal commercial use.

Compatibility with surrounding Neighborhood and Project Justification

1) The proposed project use or feature, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary, or desirable for, and compatible with, the neighborhood or the community; and

The neighborhood surrounding Eclipse consist of mostly mixed-use commercial and residential properties with ground floor commercial use and residential units on the upper floors. The current configuration of Mr. Yeung’s property similar to this pattern and is compatible with the Polk Street Neighborhood Commercial District Zoning.

Under Section 790.116 of the Planning Code, Personal Service(Hair Salon) is a permitted use on the Ground Floor along the Polk Street Neighborhood District. When the unit is removed, the total area for the commercial use is a modest 1,166 sf, the additional area will allow for the expansion of the hair salon business and to provide an accessible restroom to comply with ADA.

2) That such use or feature as proposed will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity, or injurious to property, improvements or potential development in the vicinity, with respect to aspects including but not limited to the following:

a) Nature of proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;

The proposed change will have little impact to the neighborhood and work will not expand beyond the current building footprint. All work will be in interior in nature to convert the space back to its original legal use.

After the non-permitted ground floor expansion is removed, the project will occupy 1,166 sf. The configuration of the space is in conformance with the prior permit #9404677.

b) The accessibility and traffic patterns for persons and vehicles, the type and volume of such traffic, and the adequacy of proposed off-street parking and loading;

The additional space will not significantly affect traffic patterns because of the nature of a hair salon operation. The majority of clients makes appointments and mostly takes public transportation, takes Uber or walks to the store. The percentage of walk-in traffic is only approximately 35% of the total business.

The area is mixed use commercial and residential. Street parking is available with parking meters on Polk and many of the surrounding streets. The average time for an appointment is one hour. The neighborhood and the area us served by numerous MUNI bus lines. Bus stops for the #3(Jackson), #10(Townends), #12(Folsom), #47 (Van Ness) and the #49 (Van Ness/ Mission) are readily accessible. Off-street parking and loading are not required for this project.

c) *The safeguards afforded to prevent noxious or offensive emissions such as noise, glare, dust and odor;*

This location has operated as a hair salon since 1999(17 years). There are no offensive emissions, noise, glare dust and odor emitted from the business.

d) *Treatment given, as appropriate, to such aspects as landscaping, screening, open spaces, parking and loading areas, service areas, lighting and signs;*

The project does not propose any landscaping improvements to the streetscape or the project site. There is a partial red curb bus zone adjacent to the retail store and a MUNI bus shelter located at the corner of Polk and Broadway.

3) *That such use or feature as proposed will comply with the applicable provisions of this Code and will not adversely affect the General Plan.*

The proposed project complies with the applicable provisions of the Planning Code and is consistent with the objectives and policies of the General Plan:

- The hair salon has been providing personal service to many long time customers in the neighborhood for over 17 years. It contributes a necessary service that is easily accessible to surrounding residents. Clients that come from out of town also spend money in the neighborhood on shopping and dining which contribute to the economic vitality of the area.
- The hair salon is a small business and promotes an entrepreneur business enterprise which contributes to the economic and vitality the marketplace and society. Currently, the salon has 6 hair stylists and can add more stylists provided additional space is available.

Priority General Plan Policies Findings

1. *That existing neighborhood-serving retail uses be preserved and enhanced and future Opportunities for resident employment in and ownership of such business enhanced;*

Eclipse Salon has been in operation for 19 years and it has provided employment opportunities to many in the community including entry-level hair stylist positions as well as to experienced stylist. Mr. Yeung is willing to teach and assist new hair hair stylist in the industry and provide them a space to increase their earning and build their clientele. Upon removal of the non-permitted residential unit, the hair salon can expand and provide more services and employment opportunities to the neighborhood and San Francisco. .

2. *That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of the neighborhoods;*

The Polk Street neighborhood consists of mixed-use commercial and residential use. The property consists of residential and commercial uses. The character of the area will be conserved and protected and is in line with San Francisco's desire to maintain small

business in the City.

3. *That the City's supply of affordable housing be preserved and enhanced;*

The property consists of residential and commercial use. The legal ground floor use was commercial based on permit #9604677 and the original building ground floor was for commercial use. The removal of the residential space will not adversely affect the housing stock in the San Francisco.

4. *That commuter traffic not impede Muni transit service or overburden our streets or neighborhood parking;*

This area is well served by MUNI public transit. And due to the small scale of the personal service, it has minimal impact on neighborhood parking. Metered parking is readily available.

5. *That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;*

The building was already a mixed use of commercial and residential use. No industrial and service sector work will be displaced. This is a small local business and they are not a formula retail establishment. Mr. Yeung has operated in the same location for 19 years and has an excellent reputation in the neighborhood, with the added space, he can offer more employment opportunity for more hair stylists to work in the Polk Street Neighborhood.

6. *That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;*

As part of the proposed permit work, the foundation of the rear addition is will be examined for structural integrity and if necessary, reinforced ore replaced to meet the building code. The project does not impact the existing building structure and will not weaken the structural integrity of the building.

7. *That landmark and historic building be preserved; and*

The project has no effect on any landmark or historic building as work will be interior in nature.

8. *That our parks and open space and their access to sunlight and vista be protected from development.*

There is no impact to adjacent open space or access or sunlight or vistas from the project.

September 19, 2016

To: Department of City Planning
1650 Mission Street 4/floor
San Francisco CA 94103

Subject: 2049 Polk Street Conditional Use Application
Block 0574 Lot 002

As Owner of the property located at 2049 Polk Street. I hereby authorize Mr. Samuel Kwong, Architect to act as applicant on my behalf for the Conditional Use Application for the elimination of a non-permitted unit on the ground floor behind the existing retail store which I operate.

Gary Yeung

Gary Yeung 9-28-2016

3. Project Type and History

(Please check all that apply) <input type="checkbox"/> New Construction <input checked="" type="checkbox"/> Alterations <input type="checkbox"/> Demolition <input type="checkbox"/> Other Please clarify: <u>No Face of Violation</u>	ADDITIONS TO BUILDING: <input type="checkbox"/> Rear <input type="checkbox"/> Front <input type="checkbox"/> Height <input type="checkbox"/> Side Yard	BUILDING PERMIT NUMBER(S): <u>2015-11-09-2078</u>	DATE FILED:	
		DATE OF PROPERTY PURCHASE: (MM/DD/YYYY) <u>2007</u>		
		ELLIS ACT Was the building subject to the Ellis Act within the last decade?	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>

4. Project Summary Table

If you are not sure of the eventual size of the project, provide the maximum estimates.

	EXISTING USES	EXISTING USES TO BE RETAINED	NET NEW CONSTRUCTION AND/OR ADDITION:	PROJECT TOTALS:
PROJECT FEATURES				
Dwelling Units	2	1		1
Hotel Rooms				N/A
Parking Spaces				N/A
Loading Spaces				N/A
Number of Buildings				1
Height of Building(s)				EXIST.
Number of Stories				2
Bicycle Spaces				N/A
GROSS SQUARE FOOTAGE (GSF)				
Residential	2134 SF	1525 SF		1525 SF
Retail	572 SF	572 SF	609 SF	1181 SF
Office				N/A
Industrial/PDR <small>Production, Distribution, & Repair</small>				N/A
Parking				N/A
Other (Specify Use) <u>LAUNDRY</u>	172 SF	172 SF		N/A 172 SF
TOTAL GSF				2878

RESIDENTIAL
 1ST. FL. 609 SF.
 2ND FL. 1525 SF

 2134 SF

5. Additional Project Details

UNITS	EXISTING:	PROPOSED:	NET CHANGE:
Owner-occupied Units:	0	0	0
Rental Units:	2	1	1
Total Units:	2	1	1
Units subject to Rent Control:	2	1	1
Vacant Units:	0	0	0

BEDROOMS	EXISTING:	PROPOSED:	NET CHANGE:
Owner-occupied Bedrooms:	0	0	0
Rental Bedrooms:	4	3	3
Total Bedrooms:	3 4	3	3
Bedrooms subject to Rent Control:	4	3	3

6. Unit Specific Information

	UNIT NO.	NO. OF BEDROOMS	GSF	OCCUPANCY	ADDITIONAL CRITERIA (check all that apply)
EXISTING	2047A	1	609	<input type="checkbox"/> OWNER OCCUPIED <input checked="" type="checkbox"/> RENTAL	<input type="checkbox"/> ELLIS ACT <input type="checkbox"/> VACANT <input checked="" type="checkbox"/> RENT CONTROL
PROPOSED	RETAIL			<input type="checkbox"/> OWNER OCCUPIED <input type="checkbox"/> RENTAL	
EXISTING	2049	3	1525	<input type="checkbox"/> OWNER OCCUPIED <input checked="" type="checkbox"/> RENTAL	<input type="checkbox"/> ELLIS ACT <input type="checkbox"/> VACANT <input checked="" type="checkbox"/> RENT CONTROL
PROPOSED				<input type="checkbox"/> OWNER OCCUPIED <input type="checkbox"/> RENTAL	
EXISTING				<input type="checkbox"/> OWNER OCCUPIED <input type="checkbox"/> RENTAL	<input type="checkbox"/> ELLIS ACT <input type="checkbox"/> VACANT <input type="checkbox"/> RENT CONTROL
PROPOSED				<input type="checkbox"/> OWNER OCCUPIED <input type="checkbox"/> RENTAL	

7. Other Information

Please describe any additional project features that were not included in the above tables:
(Attach a separate sheet if more space is needed)

Dwelling Unit Conversion

(SUPPLEMENTAL INFORMATION)

Pursuant to Planning Code Section 317(f), the Conversion of residential dwelling-units not otherwise subject to a Conditional Use Authorization shall be subject to a Mandatory Discretionary Review.

In reviewing proposals for the Conversion of residential dwelling-units to other forms of occupancy, the Planning Commission will review the criteria below.

Please answer the following questions to determine how the project does or does not meet the Planning Code requirements:

DWELLING UNIT CONVERSION CRITERIA:		YES	NO
1	Will the conversion of the unit(s) eliminate only owner occupied housing? If yes, for how long has the unit(s) proposed for removal been owner-occupied? _____ months or _____ years (circle one)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2	Will the conversion of the unit(s) provide desirable new non-residential use(s) appropriate for the neighborhood and adjoining district(s)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3	Is the property located in a district where Residential Uses are not permitted? If yes, will the Residential Conversion bring the building closer into conformance with the uses permitted in the zoning district? <input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4	Will the conversion of the unit(s) be detrimental to the City's housing stock?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5	Is the conversion of the unit(s) necessary to eliminate design, functional, or habitability deficiencies that cannot otherwise be corrected?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6	Will the Residential Conversion remove Affordable Housing, or unit(s) subject to the Rent Stabilization and Arbitration Ordinance?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Applicant's Affidavit

Under penalty of perjury the following declarations are made:

- a: The undersigned is the owner or authorized agent of the owner of this property.
- b: The information presented is true and correct to the best of my knowledge.
- c: Other information or applications may be required.

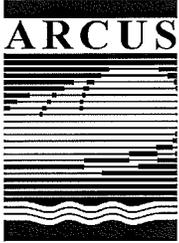
Signature: 

Date: 6-20-17

Print name, and indicate whether owner, or authorized agent:

Amber Kwong, agent
Owner / Authorized Agent (circle one)

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ARCHITECTURE
+ PLANNING

61 Walter U. Lum
Place, Third Floor
San Francisco, CA
94108-1801 USA
(415) 391 - 3313
(Fax) 391 - 3649

June 7th 2017

Mr. Andrew Perry
San Francisco Planning Department
1650 Mission Street, 4/F
San Francisco CA 94103

Subject: Construction Estimate based on DBI 2016 City Cost Schedule
Conditional Use for removal of 1st floor non-permitted residential unit
2047 Polk Street San Francisco

Dear Mr. Perry:

The following is a summary of the construction items broken down per unit cost and work area. Some cost figures are not included in the DBI cost schedule as they have to do with other agencies such as SFPUC and PG&E. We have provided pages from the cost schedule and other references for you to verify the items we used to establish the renovation costs. If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Samuel Kwong". The signature is fluid and cursive, with a large loop at the end.

Samuel Kwong
Principal

encl: Spreadsheet of Construction Cost Estimate

2016 COST SCHEDULE

IV (Continued)

	Unit	Amount
Fire Sprinkler Systems:		
Sprinkler System		
10,000 s.f. or less	per sq. ft. of floor area	\$6.95
20,000 s.f.	per sq. ft. of floor area	\$5.79
50,000 s.f. or more	per sq. ft. of floor area	\$4.44
New sprinkler system including new pipes	per head	\$525.56
Sprinkler system with existing pipes	per head	\$203.22
Standpipe System	per lin. ft.	\$1,219.32
Underground Sprinkler System Service:		
2"	per lin. ft.	\$406.44
4"	per lin. ft.	\$508.05
6"	per lin. ft.	\$609.66
8"	per lin. ft.	\$812.88
Firefighter Air Replenishment System (FARS)		
Base cost for FARS	each	\$304,830.82
Add cost for each story	per floor	\$10,161.03
Smoke/Carbon Monoxide Alarm, hard wired with battery back up	each	\$152.42
Smoke/Carbon Monoxide Detector	each	\$304.83

2016 COST SCHEDULE

V (Continued)

	Unit	Amount
Concrete Paving or residential garage concrete	per sq. ft.	\$8.84
Concrete Retaining Wall	per c.y.	\$902.30
Counter: Commercial:	per lin. ft.	\$285.42
Residential:	per lin. ft.	\$94.18
Curtain Walls: Stainless steel or bronze and glass	per sq. ft. of wall	\$39.95
Demolition of buildings (not including removal of foundation or basement):		
Concrete/Masonry:	per c.y. of building volume	\$21.07
Steel:	per c.y. of building volume	\$23.00
Wood:	per c.y. of building volume	\$11.74
Demolition, minor residential interior partitions	per sq. ft.	\$6.10
Door, accessible	each	\$5,633.88
Door, wood	each	\$507.31
Door, fire	each	\$5,641.95
Drilled dowels with epoxy	each	\$52.07
Entry gates, metal w/ electronic operator, sliding	each	\$1,551.08
Excavation	per c.y.	\$74.47
Fill	per c.y.	\$49.34
Foundation Replacement (including excavation, concrete and shoring)	per c.y.	\$2,869.13
Garage Door:	each	\$1,456.99
Grout, epoxy or urethane:	per sq. ft. of surface	\$10.60
Guardrails:	per lin. ft.	\$32.88
Gypsum board	per sq. ft. of wall	\$2.79
Inclined platform lift	each	\$40,644.11

2016 COST SCHEDULE

V (Continued)

	Unit	Amount
Interior Partitions :		
Wood Studs w/ Gypsum Wallboard, Painted, NR or 1-Hour	per sq. ft. of wall	\$12.55
Wood Studs w/ 2 layers Gypsum Wallboard each side 2-hour construction	per sq. ft. of wall	\$21.93
Add plywood or plaster per sq. ft. of wall:	per sq. ft. of wall	\$6.19
Metal Partitions	per sq. ft. of wall	\$12.55
Metal Studs with Gypsum Wallboard, 1-Hour painted, w/ noncombustible construction	per sq. ft. of wall	\$13.84
2-Hour	per sq. ft. of wall	\$18.45
Metal Studs with Met. Lath & Plans., painted	1-Hour per sq. ft. of wall	\$17.41
2-Hour	per sq. ft. of wall	\$23.21
Special surface finishing.		
Add per sq. ft. of wall, ea. face, as follows:		
Wood Paneling or fabric wall covering	per sq. ft. of wall	\$9.45
Laminated Plastic	per sq. ft. of wall	\$18.09
Marble, Terrazzo, Granite, Stone, etc. Veneers	per sq. ft. of wall	\$102.10
Vinyl Wall covering	per sq. ft. of wall	\$5.83
For Insulation, Add per sq. ft. as follows:		
Walls	per sq. ft. of wall	<u>\$4.16</u>
Floor and Ceilings	per sq. ft. of wall	\$5.08
Landscaping	per sq. ft.	\$8.74
Marquees	per sq. ft.	\$42.94
Moving Structures	per sq. ft.	\$25.23

2016 COST SCHEDULE

V (Continued)

	Unit	Amount
Window Replacement (Same size, location)		
Wood or fiberglass	per sq. ft. of wall	\$34.36
Aluminum or vinyl	per sq. ft. of wall	\$28.59
Fire rated	per sq. ft. of wall	<u>\$85.35</u>
Wooden Fences	per lin. ft.	\$43.52
Wood lagging (not including tiebacks)	per sq. ft. of wall	\$22.44
Wood lagging (including tiebacks)	per sq. ft. of wall	\$52.02

NOTE: For all the Occupancies on the following pages, see Chapter 3 of San Francisco Building Code for the description of Occupancies by Group and Division

2016 COST SCHEDULE

V (Continued)		
	Unit	Amount
Soil nail (each)	per lin. ft.	\$416.60
Soil stabilization	per c.y.	\$75.11
Spiral stair or steel stair	per flight	\$9,814.25
Stairs, replace existing	per sq. ft.	\$52.39
Storefront	per sq. ft.	\$51.94
Structural Steel (Note: For soldier beam/pile, use cost for "H" pile)	per pound	\$2.26
Stucco, exterior:	per sq. ft. of wall	\$7.88
Termite repair --- per estimate in termite inspection report or contractor's estimate		
Tieback	each	\$3,482.69
Tower Crane (including installation, removal, site preparation and foundation):		
Size of crane in metric ton		
100 or less	each	\$34,445.88
200	each	\$80,373.73
300	each	\$137,783.53
400 or more	each	\$206,675.30
<u>(NOTE: Interpolate for intermediate values)</u>		
Underground work for pipe	per lin. ft.	\$508.05
Underpinning Foundation (including excavation, concrete and shoring)	per c.y.	\$2,869.13
Vertical wheelchair lifts	each	\$48,264.88
Waterproofing	per sq. ft.	\$5.90

Residential

My Account

Business

Outages

Safety

In Your Community

Customer Service

Rates

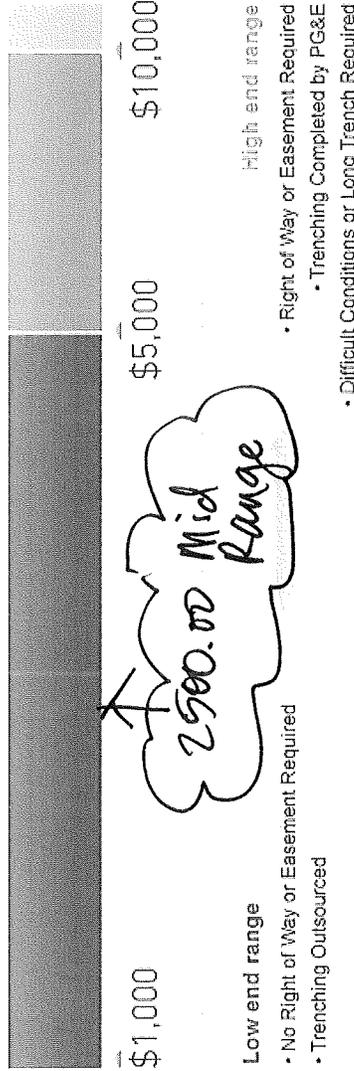
Save Energy & Money

Residential Change Gas Service

75% of projects cost \$1,000 - \$5,000

20% of projects cost \$5,000 - \$10,000

5% of projects cost > \$10,000



The range is based on historical project costs.

Factors that may affect costs:

1. Administrative fees to secure rights of way and easements to cross property owned by others
2. Trenching costs:
 - Distance to the nearest PG&E gas distribution line

There may regional differences about the terrain in your area, such as sandy coastal soil or rocky soil from mountainous regions.

Difficult conditions like concrete or bad rock along the trench route

Page P. 1/4

Remediation of contaminated soil

Side walls to keep the trench open during construction, if your residence is located up a hill

Traffic control and street or sidewalk re-pavement, if the trench crosses a road; trench plates, if the trench crosses a road and the trench and backfill cannot be completed in a single workday

Need to maneuver around trees, which may create a longer route

Labor costs, if PG&E digs the trenching; trench inspection fees, if you hire a contractor to dig the trench

Learn about other costs that could affect your project and read our disclaimer. (PDF, 79KB)

Please contact PG&E at 1-877-743-7782 for more detailed information regarding your request. Representatives are available to assist you Monday-Friday from 7:00a.m. - 6:00p.m.

Start Over

Quick Links

- Pay Your Bill
- Report & View Electric Outages
- Start or Stop Service
- Get Payment Assistance
- Make Payment Arrangements
- Report an Emergency

Customers

- Residential Business
- Contact Us
- Supported Browsers

Safety

- Call 811 Before You Dig
- Electric Safety
- Gas Safety
- Emergency Preparedness
- Hydro Safety

In Your Community

- Local
- How the System Works
- Social Media

Page 2/4

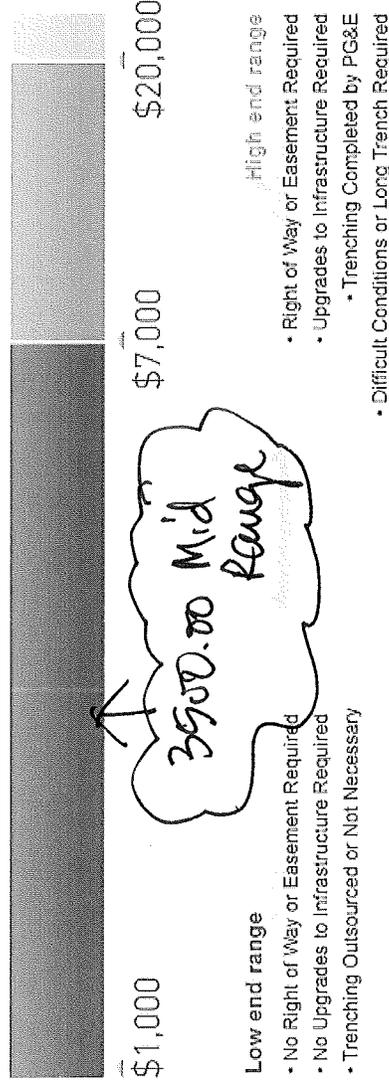
Residential

Business Outages Safety In Your Community

My Account

Customer Service Rates Save Energy & Money

Residential Change Electric Underground Service



The range is based on historical project costs.

You may be eligible to deduct a \$1,918 allowance from the total cost of your electric service if you are upgrading your panel.

Factors that may affect costs:

- Administrative fees to secure rights of way and easements to cross property owned by others
- Trenching costs:
 - Distance to the nearest PG&E electric distribution line
 - Difficult conditions like concrete or bad rock along the trench route

PG&E P.3/F

Remediation of contaminated soil

Side walls to keep the trench open during construction if your residence is located up a hill

Traffic control and street or sidewalk re-pavement if the trench crosses a road; trench plates, if the trench crosses a road and the trench and backfill cannot be completed in a single workday

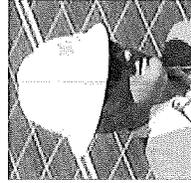
Need to maneuver around trees and create a longer route

Labor costs, if PG&E does the trenching; trench inspection fees if you hire a contractor to do the trenching

Learn about other costs that could affect your project and read our disclaimer. (PDF, 79KB)

Please contact PG&E at 1-877-743-7782 for more detailed information regarding your request. Representatives are available to assist you Monday-Friday from 7:00a.m. - 6:00p.m.

Start Over

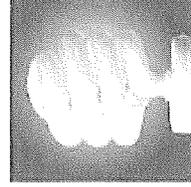


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Building a Better
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- Gas Safety
- Emergency Preparedness
- Hydro Safety

In Your Community

- Local
- How the System Works
- Social Media

PG&E P4/F

CAPACITY CHARGES

Section 4: Water Capacity Charge

- A. Any customer requesting a new connection to the water distribution system, or requiring additional capacity as a result of any addition, improvement, modification or change in use of an existing connection to the water distribution system, shall pay a capacity charge for the new or additional capacity required to serve the customer. The capacity charge may not be sold, traded or conveyed in a manner to another site or customer. The capacity charge does not convey or imply ownership in or of any facilities of the Water System. Customers subject to payment of water capacity charges after July 1, 2016, shall pay the charges in accordance with the following table:

FYE 2017 Water Capacity Charge Schedule

Meter Size	Charges
5/8 in	\$1,302
3/4 in	\$1,953
1 in	\$3,258 ←
1-1/2 in	\$6,512
2 in	\$10,421
3 in	\$19,538
4 in	\$32,563
6 in	\$65,130
8 in	\$104,207
10 in	\$149,719
12 in	\$279,910
16 in	\$488,217

- B. The capacity charge shall be adjusted on July 1st of each subsequent year by the annual change in the 20 City Average Construction Cost Index (CCI) published by ENR Magazine.
- C. Customers subject to payment of the water capacity charge shall receive a prior use credit equal to the equivalent charge for the prior usage without regard to any time limit for such credit.

SCHEDULE W-41: Service Installations

Applicable to all water customers for service installations made at the customer's request:

Water Installation Service Charges For Single Services

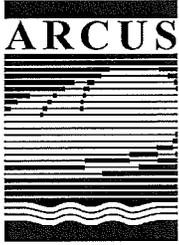
Size	TYPE	Service Charge
1 in	Standard Service	\$9,380
1 -1/2 in	Standard Service	\$13,180
2 in	Standard Service	\$13,180
3 in	Standard Service	\$37,680
4 in	Standard Service	\$37,680
6 in	Standard Service	\$44,230
8 in	Standard Service	\$50,710
1 -1/2 in	Fire Service	\$12,550
2 in	Fire Service	\$12,550
4 in	Fire Service	\$24,760
6 in	Fire Service	\$29,330
8 in	Fire Service	\$33,650
1 in	Combination Service	\$9,380
1 -1/2 in	Combination Service	\$13,180
2 in	Combination Service	\$13,180
1 in	Non-Standard Service	\$9,380
1 -1/2 in	Non-Standard Service	\$13,180
2 in	Non-Standard Service	\$13,180



- D. Customers subject to payment of the water capacity charge shall pay 100% of the charge prior to issuance of the applicable building permit. Any plan changes will result in a revised capacity charge payment.
- E. Assessment of the applicable capacity charge will be based on the date that the General Manager receives the final permit application and building plans.
- F. If full payment of all fees and charges is not received in accordance with the General Manager's payment requirements, the new or additional water services will not be authorized.

Impact Fee	City Area Subject to the Fee	Ordinance Reference	Use	Fees	Residential & Non-Residential Threshold	Exempted Building Permit Types	C
Rincon Hill Community Infrastructure Impact Fee	Rincon Hill	<u>Planning Code Section 418</u>	Residential	\$11.51 per gross square foot (Table 418.3A). Credit may be given for existing use on site. See Change of Use & Replacement table for reference.	Residential: At least one net new residential unit or additional space in an existing unit of more than 800 gross square feet; Non-Residential: N/A	4,5,6,7,8	Plan Dep.
School Impact Fee	Citywide	<u>State Ed. Code Section 17620</u>	Residential / Hotel / Office / Senior Housing / Research & Development / Retail / Hospital / Industrial Warehouse Manufacturing	School Fee (effective 08/15/2016) Residential per square foot = \$3,480 / Hotel or Motel per square foot = \$0.192 / Office per square foot = \$0.540 / Senior Housing per square foot = \$0.192 / Research & Development per sf = \$0.536 / Retail per square foot = \$0.388 / Hospital per square foot = \$0.485 / Industrial, Warehouse, Manufacturing per square foot = \$0.478	Residential: Increased habitable floor area; Non-Residential: Increased floor area SFUSD FEES	4,5,6,7,8	SFU
South of Market Area (SOMA) Community Stabilization Fee	Rincon Hill	<u>Planning Code Section 418.3(d)</u>	Residential	\$14.65 per gross square foot.	Residential: Each net addition of gross square feet of residential use; Non-Residential: N/A	4,5,6,7,8	Plan Dep: May Ecor Devi
Street Trees, In-Lieu Fee	Citywide	<u>Public Works Code Article 16 Section 802(h)</u>	All	From July 1, 2016 through June 30, 2017 - \$1,906 per required tree that cannot be planted. * Residential: \$3.02 base fee * Office: \$3.63 base fee, PLUS \$8.47 for any gsf that exceeds Floor Area Ratio (FAR) of 9:1 * Retail: \$6.05 base fee, PLUS \$5.44 for any gsf that exceeds FAR of 9:1 * Hotel: \$4.84 base fee * Institutional/Cultural/Medical: \$6.05 base fee, PLUS \$5.20 for any gsf that exceeds FAR of 9:1 * Industrial: \$3.02 base fee	Residential: N/A; Non-Residential: N/A	4,5,6,7,8	Plan Dep: Pubi
Transit Center Open Space Fee	Transit Center -- C-3-O (SD)	<u>Planning Code Section 424.6</u>	All	* Residential: \$3.02 base fee * Office: \$3.63 base fee, PLUS \$8.47 for any gsf that exceeds Floor Area Ratio (FAR) of 9:1 * Retail: \$6.05 base fee, PLUS \$5.44 for any gsf that exceeds FAR of 9:1 * Hotel: \$4.84 base fee * Institutional/Cultural/Medical: \$6.05 base fee, PLUS \$5.20 for any gsf that exceeds FAR of 9:1 * Industrial: \$3.02 base fee	Residential: (1) At least one net new residential unit; or (2) Addition of more than 800 gross square feet to an existing residential unit, or (3) At least one new group housing facility or residential care facility, or (4) Addition of more than 800 gross square feet to an existing group housing or residential care facility, or (5) Conversion of existing space to a different use where the project's total fee would exceed the total fee for the uses being replaced.; Non-Residential: (1) New construction, or (2) Addition of more than 800 gross square feet, or (3) Conversion of existing space to a different use where the project's total fee would exceed the total fee for the uses	4,5,6,7,8	Plan Dep:

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May 17th 2017

Mr. Andrew Perry
San Francisco Planning Department
1650 Mission Street, 4/F
San Francisco CA 94103

Subject: Conditional Use for removal of 1st floor non-permitted residential unit
2047 Polk Street San Francisco

*ARCHITECTURE
+ PLANNING*

61 Walter U. Lum
Place, Third Floor
San Francisco, CA
94108-1801 USA
(415) 391 - 3313
(Fax) 391 - 3649

Dear Mr. Perry:

A copy of the signed pre-application response dated 5/16/17 by DBI inspector Jeffrey Ma is attached. This summary addressed numerous building elements affected by the current version of the building code.

The following is a summary of the items and the impact on the project:

1. Although the existing windows in the non-permitted unit on the ground floor is existing non-compliant openings which do not exceed 15% of the exterior wall, but because the space is not sprinkled, windows will need to be replaced with protected openings. This will increase the construction costs by 4 x \$2,000 each = \$8,000
2. The existing breezeway walls do not meet the one-hour construction assembly as required by code to meet protection of structures along the property line, a replacement of the wall to meet the construction assembly will add \$15,000 to the work.
3. Although the exit travel distance is less than 125 feet, the non-permitted unit is not sprinkled which means either sprinklers has to be added or another exit has to be provided.
4. We determined that exiting through the store is not permitted.
5. The existing breezeway is also where gas meters and electrical meters are located. This condition is not allowed in the exit passage. It is a physical hardship to relocate all existing meters and to find new locations for these items. Further there is additional costs to make the passageway to meet one-hour construction.
6. Similar to 5.
7. Sprinklers may be used to meet item 3, but will not meet item 5 and 6.
8. Title 24 energy compliance may still have to be met.

Sincerely,

Samuel Kwong
Principal

PREAPPLICATION PLAN REVIEW QUESTIONS

Removal unit with non-permitted work

Address: 2047 Polk Street Block:0574 Lot:002

May 1st 2017 Meeting Date 4/6/17 2:00pm

Item No:	Code Section	Code Reference	Question	DBI Response	Reviewer Initials
1	Table 705.8	Current windows in unit that are along the breezeway passage are 49" away from the property line. Current code require exterior openings to comply with Section 705.8	The existing windows are considered as existing non-conforming windows. Can you confirm that for a non-sprinkled building with un-protected openings, openings are not permitted. And that only protected opening may be allowed but no more than 15% of exterior wall area.	<i>Confirm</i>	Bidg. 
2	Table 602	Fire-resistance rating for exterior walls at breezeway based on the location to property line shall need to be 1-hour construction.	Existing exterior wall at property line consists of 3/4" x 5-1/2" horizontal exterior wood siding, wall sheathing, vapor barrier, 3x4 wood studs and horizontal wood siding, it does not meet 1 hour construction requirement.	<i>Confirm</i>	Bidg. 
3	CBC 1006.2.1 <i>Table 1006.3.1</i> <i>Table 1006.3.2</i>	Two means of egress is needed in Group R-3 occupancy with an occupant load of 20, with the exception if sprinklers are provided. One means of exit is allowed provided travel distance is less than 125 feet.	Please confirm that since sprinklers are not installed in the unit, the code requires 2 means of exit.	<i>Confirm</i>	Bidg. 
4	CBC 1016.2	Exiting through intervening room that can be locked is not permitted.	Please confirm that unit cannot use exit through retail store as second exit because the store may be locked at times preventing egress.	<i>Confirm</i>	

5	CBC 1024.1	Exit passageway shall not be used for any other purpose other than as a means of egress and a circulation path.	Please confirm that gas and electrical meters located along the breezeway are items that cannot be located along an exit passage.	Confirm	Bldg
6	CBC 1024.23	Exit passage shall be of 1-hour construction	Please confirm that the construction of the exterior wall is similar to item no.2	Confirm	Bldg
7	Ordinance No. 43-14	Sprinklers requirements for R-3 Occupancy are not required	Please confirm that sprinklers are not required if unit is legalized because there is no change in occupancy	Confirm	Bldg
8	Ordinance No. 43-14	Normally, addition of dwelling unit will need to comply with Title 24-energy compliance. However there are exceptions.	Please confirm that Ordinance No. 43-14 waive this requirement.	Need to confirm with DBI - Mech. Eng.	Bldg/ Mech

Reviewed by:

Building Plan Engineer:

SFDBI

[Signature] (Date) 5/16/17

Mechanical Engineer:

N/A

(Date)

Signature

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ATTACHMENT A
Legalization of Dwelling Units Installed Without a Permit
SCREENING FORM – No fee to file

The screening form shall be completed by a California licensed architect, civil or structural engineer or contractor. Submittal of this Screening Form is to summarize the evaluation performed on the building and to identify code issues related to the legalization of existing unauthorized dwelling units under Ordinance No. 43-14.

Submit the completed Screening Form (with the supporting documents) as a hardcopy in person or by U.S. mail to Department of Building Inspection, 1660 Mission Street, San Francisco, CA 94103

BLOCK / LOT
NUMBER

0574 / 002

ADDRESS

2047 POLK ST. SAN FRANCISCO CA 94109

CONTACT (OWNER
OR AGENT)

SAMUEL KWONG

SECTION 1 – ADMINISTRATIVE INFORMATION

SAMUEL KWONG 415.391-3303 samkwong-arcus@pacbell.net
Contact Name Contact Telephone Contact Email

ARCUS ARCHITECTURE + PLANNING
61 WALTER U. LUM PL. SAN FRANCISCO CA 94108
Contact Mailing Address

**SECTION 2 – DOCUMENTATION OF EXISTING UNAUTHORIZED DWELLING UNITS
AND IDENTIFICATION OF RELATED CODE ISSUES**

- Attach floor plans for the entire building to demonstrate egress or other code issues
- Attach site (plot) plan showing the location of existing buildings, other structures on the site, property lines and locations of adjacent streets or alleys.
- Assessment/costs prepared by licensed contractor, architect or engineer that outlines compliance plan to meet codes (or any equivalencies subject to approval by DBI, Fire and Planning):

Identification of code issues:

Estimated cost for compliance:

<u>TITLE 24 ENERGY COMPLIANCE</u>	<u>_____</u>
<u>A) REMOVE WALL FINISHES, INSTALL INSL.</u>	<u>15,000</u>
<u>B) NEW STEELROCK WALLS & WALL FINISH.</u>	<u>12,000</u>
<u>C) PROVIDE SPRINKLERS TO UNIT WITH NEW WATER METER</u>	<u>35,000</u>
<u>D) SMOKE / CARBON MONOXIDE DETECTORS.</u>	<u>2000</u>
<u>E) USE BATH FIXTURES COMPLIANT TO GREEN BUILDING CODE</u>	<u>7000</u>
<u>F) TREE PLANTING, PEST PLANNING</u>	<u>3000</u>
<u>G) SEPARATE CIRCUIT BREAKER</u>	<u>12000</u>
Total estimated cost for compliance =	<u>82,000</u>

Owner also to provide evidence from Water Department, telephone, gas or electric records, written lease agreements, etc. showing dwelling unit to be legalized existed prior to Jan. 1, 2013;

- | | | | |
|--|--------------------------|---------------------------------|--------------------------|
| Previously approved Permit Application | <input type="checkbox"/> | Original construction documents | <input type="checkbox"/> |
| Previously approved Plan | <input type="checkbox"/> | Water Department bill | <input type="checkbox"/> |
| Certificate of Final Completion | <input type="checkbox"/> | Telephone bill | <input type="checkbox"/> |
| Written Lease Agreement | <input type="checkbox"/> | Gas or Electric records | <input type="checkbox"/> |
| | | Other _____ | <input type="checkbox"/> |

ATTACHMENT B Legalization of Dwelling Units Installed Without a Permit Checklist

The intent of this checklist is to provide a general guideline for the legalization of dwelling units installed without a permit. This checklist may not cover all code issues related to the legalization process.

Referenced Codes:

- 2016 TYP.*
- ~~2013~~ San Francisco Building Code (SFBC)
 - ~~2013~~ San Francisco Planning Code
 - ~~2013~~ San Francisco Fire Code (SFEC)
 - ~~2013~~ San Francisco Mechanical Code (SFMC)
 - ~~2013~~ San Francisco Plumbing Code
 - ~~2013~~ San Francisco Electrical Code (SFEC)
 - ~~2013~~ San Francisco Energy Code
 - ~~2013~~ California Historical Building Code (CHBC)

* Code section referenced is SFBC unless noted otherwise.

	Code Requirements	Code Section	Estimated Cost for Compliance	Remark
1.	Applicable codes shall be 2013 SF Building Code(SFBC), 2013 SF Mechanical Code (SFMC), 2013 SF Electrical Code (SFEC), 2013 SF Plumbing Code , 2013 SF Energy Code (SFEC) and 2013 SF Planning Code, 2013 SF Fire Code (SFEC) and 2013 California Historical Building Code (CHBC).			
2.	Rent Board Verification. Ordinance No. 43-14 states that the Planning Department must verify that certain no-fault evictions have not occurred within certain time frames. The applicant shall check whether or not they meet those criteria. If such an eviction has occurred within the limited timeframe, the legalization may			

	not be processed, even if the unauthorized unit could otherwise meet the Building Code requirements. The Planning Department will verify that information with the Rent Board during the permit review process.			
3.	A dwelling unit is a room or suite of two or more rooms that is designed for, or is occupied by, one family doing its own cooking therein and having only one kitchen. A housekeeping room as defined in the Housing Code shall be a dwelling unit for purposes of this Code. For the purposes of this Code, a live/work unit shall not be considered a dwelling unit.	Planning Code Sections 102.7 & 102.13		THE EXIST. CONFIGURATION QUALIFY AS A ONE BEDROOM
4.	Provide floor plans for the entire building to demonstrate exiting and other issues. The Floor Plans must show all existing rooms adjacent to the dwelling unit to be legalized. Label the use of each room.			SEE TI, AI & AZ
5.	Landscaping. Pursuant to Planning Code Section 132, 20 percent of the front setback area shall be remain unpaved and devoted to plant material, including the use of climate appropriate plant materials. Please indicate compliance with this requirement on the plans. A link to the Guide to the San Francisco Green Landscaping Ordinance is below: http://www.sf-planning.org/ftp/files/publications reports/Guide to SF Green Landscaping Ordinance.pdf	Planning Code Section 132		NO FRONT SETBACK

<p>6.</p>	<p>Permeability. Pursuant to Planning Code Section 132, the front setback area shall be at least 50 percent permeable so as to increase stormwater infiltration. The permeable surface may be inclusive of the area counted towards the landscaping requirement; provided, however, that turf pavers or similar planted hardscapes shall be counted only toward the permeable surface requirement and not the landscape requirement. Please indicate compliance with this requirement on the plans. A link to the Guide to the San Francisco Green Landscaping Ordinance is below: http://www.sf-planning.org/ftp/files/publications reports/Guide to SF Green Landscaping Ordinance.pdf</p>	<p>Planning Code Section 132</p>		<p>N/A</p>
<p>7.</p>	<p>Street Tree. When a dwelling unit is proposed, including legalizing an illegal dwelling unit, the property must comply with the street tree requirements. One tree of 24-inch box size is required for each 20 feet of frontage of the property along each street or alley, with any remaining fraction of 10 feet or more of frontage requiring an additional tree. Such trees shall be located either within a setback area on the lot or within the public right-of-way along such lot. This property is required to provide one street tree. Please indicate compliance with this requirement on the plans.</p>	<p>Planning Code Section 138</p>		<p>STREET TREE WILL BLOCK VIEW OF RETAIL STORES</p>

<p>8.</p>	<p>Street Tree Referral. Prior to Planning Department approval, you must obtain a referral form Department of Public Works (DPW). DPW determines whether or not required trees can feasibly be planted. Please bring to the following to DPW: (1) a completed Tree Planting and Protection Checklist, (2) project plans [11"x17" is acceptable] and (3) a DPW tree planting application. Submittals can be made to DPW's offices at 1155 Market St or electronically at www.sfdpw.org -> "Services A-Z" -> "Trees". After doing their analysis and fieldwork, DPW will provide the applicant with a signed referral form with their determination which should then be provided to Planning staff. Planning staff cannot approve the building permit application without the referral form from DPW. This information may be submitted directly to Kate Conner at the Planning Department, 1650 Mission Street, 4th Floor. The Tree Protection and Planting checklist is linked below: http://sf-planning.org/modules/showdocument.aspx?documentid=8321</p>			
<p>9.</p>	<p>Bicycle Parking. When a dwelling unit is proposed, including legalizing an illegal dwelling unit, the property must comply with bicycle parking requirements. In order to legalize an illegal unit per Planning Code Section 207.3, bicycle parking spaces must be provided on-site in a secure, weather protected space meeting dimensions set in Zoning Administrator Bulletin No. 9,</p>	<p>Planning Code Section 155</p>		

	<p>easily accessible to residents and not otherwise used for automobile parking or other purposes. Each space is required to be 2'-0" by 6'-0. An area devoted to bicycle parking must be shown on the plans. A link to Zoning Administrator Bulletin No. 9 is below: http://www.sf-planning.org/ftp/files/publications_reports/ZAB BicycleParking_9-7-13.pdf</p>			
10.	<p>Provide Site (Plot) Plan: Show the location of existing buildings, other structures on the site, property lines and locations of adjacent streets or alleys.</p> <ul style="list-style-type: none"> • Show dimensions between dwelling unit walls and property lines. • Show the direction of true North. 			A-1
11.	<p>Provide evidence from Water Department, telephone, gas or electric records, written lease agreements, etc. Showing dwelling unit to be legalized existed prior to Jan.1 , 2013;</p>			OWNER PROVIDED
12.	<p>Minimum ceiling heights. Occupiable spaces, <i>habitable spaces</i> and <i>corridors</i> shall have a ceiling height of not less than 7 feet 6 inches.</p>	1208.2		EXIST. CEILING COMPLY WITH MIN. STD.

13.	Bathrooms, toilet rooms, kitchens, storage rooms and laundry rooms shall be permitted to have a ceiling height of not less than 7 feet.	1208.2		SIZE COMPLY FEATURES FLOW RATES MAY NOT.
14.	Ceiling height. The means of egress shall have a ceiling height of not less than 7 feet 6 inches.	1003.2		EXIST. COMPLY
15.	Foundation slab needs to be lowered if (7), (8), (9) or (10) are not met.			NO NEED
16.	Minimum room widths. Habitable spaces, other than a kitchen, shall be not less than 7 feet in any plan dimensions. Kitchens shall have a clear passageway of not less than 3 feet between counter fronts and appliances or counter fronts and walls.	1208.1		EXIST. COMPLY
17.	Room area. Every dwelling unit shall have no less than one room that shall have not less than 120 square feet of net floor area. Other habitable rooms shall have a net floor area of not less than 70 square feet. Exception: Kitchens are not required to be of a minimum floor area.	1208.3		EXISTING COMPLY
18.	Efficiency Dwelling Units. Efficiency dwelling units shall comply with the following: (1) The unit shall be occupied by no more than two persons and having a living room of not less than 150	1208.4		N/A

	<p>square feet of floor area. An additional 100 square feet of floor area shall be provided for each occupant of such unit in excess of two.</p> <p>(2)The unit shall be provided with a separate closet.</p> <p>(3)The unit shall be provided with a kitchen sink, cooking appliance and refrigeration facilities, each having a clear working space of not less than 30 inches in front. Light and ventilation conforming to this code shall be provided.</p> <p>(4)The unit shall be provided with a separate bathroom containing a water closet, lavatory and bathtub or shower.</p> <p>(5)The total area of the unit shall be no less than 220 square feet, which area shall be measured from the inside perimeter of the exterior walls of the unit and shall include closets, bathrooms, kitchen, living, and sleeping areas.</p> <p>(6)Subsections 1-5 apply only to new construction of a structure or building. For purposes of the preceding sentence, new construction shall mean the creation of an entirely new structure or building and shall not apply to improvement, renovation, rehabilitation, or any other change to an existing structure or building. Existing buildings or structures are subject only to Subsections 1-4 except that for purposes of Subsection 1 the unit shall have a living room of not less than 220 square feet of floor area for up to two occupants.</p>			
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<p>19.</p>	<p>Private garages and carports Separation. Separations shall comply with the following: (1).The private garage shall be separate from the dwelling unit and its attic area by means of gypsum board, not less than 5/8-inch in thickness, applied to the garage side. Garages beneath habitable rooms shall be separated from all habitable rooms above by not less than a 5/8-inch (15.9 mm) Type X gypsum board or equivalent and 1/2-inch (12.7 mm) gypsum board applied to structures supporting the separation from habitable rooms above the garage. Door openings between a private garage and the dwelling unit shall be equipped with either solid wood doors or solid or honeycomb core steel doors not less than 1.3/8inches in thickness or doors in compliance with Section 716.5.3 with a fire protection rating of not less than 20 minutes. Openings from a private garage directly into a room used for sleeping purpose shall not be permitted. Doors shall be self-closing and self-latching. (2).Ducts in a private garage and ducts penetrating the walls or ceiling separating the dwelling unit, including its attic area, from the garage shall be constructed of sheet steel of not less than 0.019 inches, in thickness, and shall have no openings into the garage. (3). A separation is not required between a Group R-3 and U carport, provided the carport is entirely open on two or more sides and there are not enclosed areas above.</p>	<p>406.3.4.</p>		<p>N/A</p>
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<p>20.</p>	<p>Fire-resistance rating. Horizontal assemblies separating dwelling units in the same building and horizontal assemblies separating sleeping units in the same building shall be a minimum of 1-hour fire-resistance-rated construction.</p>	<p>711.3</p>		<p>EXISTING CEILING WILL BE 5/8" TYPE 1/2" GYP. BO.</p>
<p>21.</p>	<p>Noise Insulation Enforcement Procedures. APPLICABILITY. The noise requirements apply only to residential use buildings for which permits were applied after August 22, 1974, i.e. to Form 1 and 2 applications. They do not apply to buildings constructed before 1974 in which new units are created through alterations, additions or change of use.</p>	<p>Administrative Bulletin AB-026</p>		<p>N/A</p>
<p>22.</p>	<p>Each bedroom shall have an emergency egress and rescue window or door with a clear net opening of 5.0 square feet if located on a floor at a grade level, and 5.7 square feet on all other floors. The window or door shall have a minimum clear opening height of 24"; a minimum clear opening is not greater than 44" above the finished floor. An emergency escape and rescue opening with a finished sill height below the adjacent ground level shall have window wells. Bars, grilles, grates or similar devices installed on rescue windows, window wells or exits shall be equipped with approved release mechanisms. (For R3, also see Information Sheet no. E-03)</p>	<p>1029.1 1029.2 1029.3 1029.4 Information Sheet no. E-03</p>		<p>COMPLY</p>

23.	Landings shall have a width not less than the width of the stairway or the door, whichever is greater. Doors in the fully open position shall not reduce a required dimension by more than 7 inches. When a landing serves an occupant load of 50 or more, doors in any position shall not reduce the landing less than one-half its required width. Landings shall have a length measured in the direction of travel not less than 44 inches.	1008.1.6		N/A
24.	For all occupied spaces, provide exterior openings for natural light (8% of floor area).	1205.2		Comply
25.	Artificial lighting may be provided in-lieu of natural lighting to provide average of 10 foot-candles over the area of the room at a height of 30" above floor level.	1205.3		Comply
26.	Stairways within dwelling units and exterior stairways serving a dwelling unit shall have an illumination level on tread runs of not less than 1 foot-candle.	1205.4		N/A
27.	Provide natural ventilation (4% of floor area) or a mechanical system for all habitable rooms.	1203.4.1		Comply

28.	Enclosed attic & enclosed rafter spaces shall have cross ventilation not be less than 1/150 of the area of the ventilated space. A minimum of 1" airspace shall be provided between insulation and the roof sheathing.	1203.2		N/A
29.	Garage and carports. Ventilations shall be provided as follows: Natural ventilations shall be required, and such space shall be provided with ventilation outlets in the walls or exterior doors. The total net area of such ventilation outlets shall be 200 square inches for a space up to 1,000 square feet in area and shall be increased 30 square inches for each additional 200 square feet of floor area up to maximum floor area of 3,000 square feet.	406.3.3		N/A
30.	Indicate the location of attic access.			N/A
31.	Sleepers and sill plates on concrete or masonry in direct contact with the earth shall be of naturally durable or preservative-treated wood.	2304.11.2.4		FIELD VERIFY

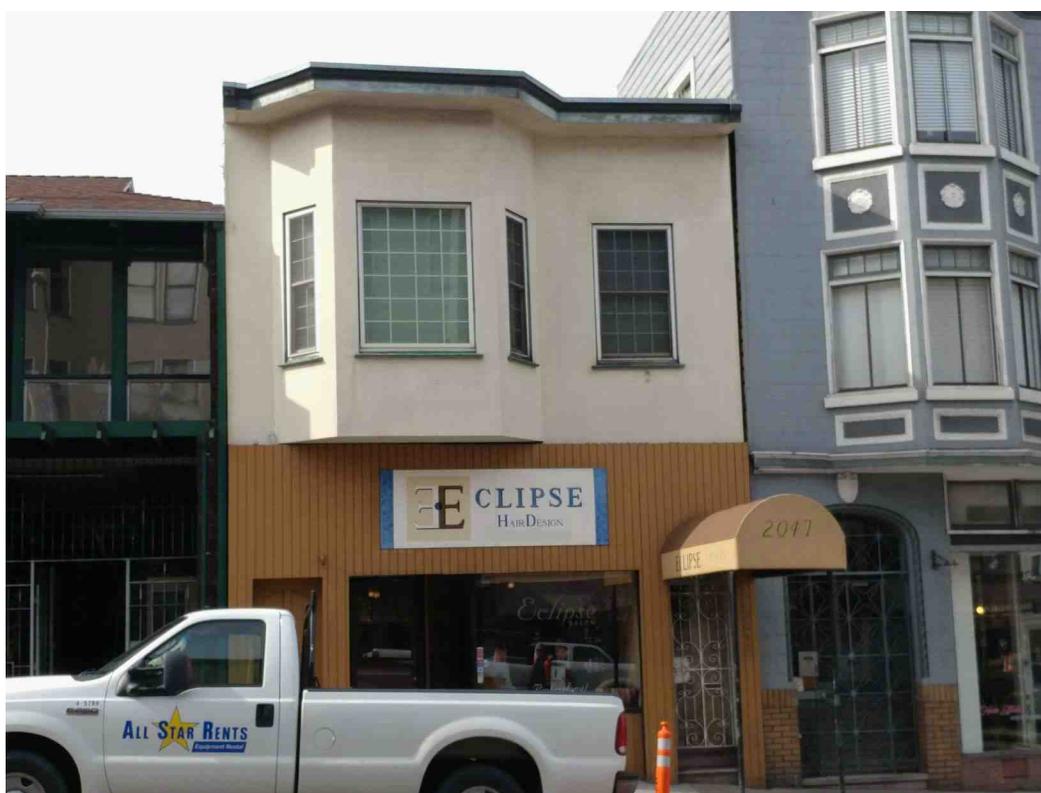
32.	Wood framing members, including wood sheathing, that rest on exterior foundation walls and are less than 8 inches from exposed earth shall be of naturally durable or preservative-treated wood.	2304.11.2.2		FIELD VERIFY
33.	Exiting through the garage area shall meet all requirements of Administrative Bulletin AB-020.	AB-020		N/A
34.	Fire-resistance rating requirement for exterior walls based on fire separation distance shall meet requirements of Table 602.	Table 602		EXIST. NO CHANGE
35.	Openings in exterior walls shall comply with Sections 705.8.1 through 705.8.6.	705.8		NO NEW OPEN'G
36.	Approval of New Openings in New and Existing Building Property Line Walls shall meet requirements of Administrative Bulletin AB-009.	AB-009		
37.	Bathrooms. Rooms containing bathtubs, showers, spa and similar bathing fixtures shall be mechanically ventilated in accordance with the California Mechanical Code.	1203.4.2.1		
38.	Energy Conservation. Qualified historical buildings or properties covered by this part are exempted from compliance with energy conservation standards.	CHBC Section 8-901.5		

<p>39.</p>	<p>Access Compliance. All publicly funded buildings used for congregate residences or for one- or two-family dwelling unit purposes shall conform to the provisions applicable to living accommodations.</p>	<p>1.9.1.1.3 Chapters 11A & 11B</p>		
<p>40.</p>	<p>Carbon monoxide alarms. When a permit is required for alterations, repairs or additions with a total cost or calculated valuation exceeding \$1,000, existing dwellings or sleeping units with a fossil fuel-burning heater or appliance, fireplace or an attached garage shall have a carbon monoxide alarm installed in accordance with Section 420.6.2. Carbon monoxide alarms shall only be required in the specific dwelling unit or sleeping unit for which the permit was obtained.</p>	<p>420.6.2.2</p>		
<p>41.</p>	<p>Smoke alarms: When the valuation of an addition, alteration or repair to a Group R Occupancy exceeds \$1,000 and a permit is required, or when one or more sleeping rooms are added or created in existing Group R Occupancies, smoke alarms shall be installed in accordance with Section 907.</p>	<p>3401.8.1</p>		
<p>42.</p>	<p>Preliminary review by Plumbing Inspection Division. Call 558-6570 as required.</p>	<p>2013 San Francisco Plumbing Code</p>		
<p>43.</p>	<p>Preliminary review by Electrical Inspection Division. Call 558-6570 as required.</p>	<p>2013 San Francisco Electrical Code</p>		

<p>44.</p>	<p>School Impaction Fee Administration. Letter from SFUSD to DBI dated 12/15/89 informing that the California State Legislature had amended School Facilities Fees legislation and exempts any residential addition of less than 500 square feet.</p>	<p>Information Sheet No. G-11 attachment</p>		
<p>45.</p>	<p>17912. Rules and regulations promulgated pursuant to the provisions of this part and building standards published in the State Building Standards Code, relating to the erection or construction of buildings or structures, shall not apply to existing buildings or structures or to buildings or structures as to which construction is commenced or approved prior to the effective date of the rules, regulations, or building standards, except by act of the Legislature, but rules, regulations, and building standards relating to use, maintenance, and change of occupancy shall apply to all hotels, motels, lodging houses, apartment houses, and dwellings, or portions thereof, and buildings and structures accessory thereto, approved for construction or constructed before or after the effective date of such rules, regulations, or building standards.</p>	<p>California Health and Safety Code Section 17912</p>		
<p>46.</p>	<p>Other.</p>			

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**Appraisal of
2 Unit MIXED USE BUILDING**



APPRAISAL OF REAL PROPERTY

LOCATED AT:

2047-2049 Polk St
Block 0574 Lot 002
San Francisco, CA 94109

FOR:

Gary C. Yeung
2047-2049 Polk St
San Francisco, CA 94109

AS OF:

03/13/2017

BY:

Jamice Welbon
Certified General Appraiser
AG038658
714 Blossom Way
Hayward, CA 94541
(415) 902-2735

Borrower	N/A	File No. 2047PolkStSFCA		
Property Address	2047-2049 Polk St			
City	San Francisco	County	San Francisco	State CA Zip Code 94109
Lender/Client	Gary C. Yeung			

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SUMMARY OF SALIENT FEATURES

SUBJECT INFORMATION	Subject Address	2047-2049 Polk St
	Legal Description	Block 0574 Lot 002
	City	San Francisco
	County	San Francisco
	State	CA
	Zip Code	94109
	Census Tract	0110.00
	Map Reference	41884
SALES PRICE	Sale Price	\$ N/A
	Date of Sale	N/A
CLIENT	Borrower	N/A
	Lender/Client	Gary C. Yeung
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	2,640.26
	Price per Square Foot	\$ 704.55
	Location	Nob Hill
	Age	108
	Condition	Good
	Total Rooms	9
	Bedrooms	4
	Baths	2.5
APPRAISER	Appraiser	Jamice Welbon
	Date of Appraised Value	03/13/2017
VALUE	Opinion of Value	\$ 1,860,000 the second value can be found on the signature line on page 17 of the appraisal report.

Advanced Property Appraisers
714 Blossom Way
Hayward, CA 94541
(415) 902-2735
<http://www.advancedpropertyappraisers.com>

04/13/2017

Gary C. Yeung
2047-2049 Polk St
San Francisco, CA 94109

Re: Property: 2047-2049 Polk St
San Francisco, CA 94109
Borrower: N/A
File No.: 2047PolkStSFCA

Opinion of Value: \$ 1,860,000
Effective Date: 03/13/2017

In accordance with your request, we have appraised the above referenced property. The report of that appraisal is attached.

The purpose of the appraisal is to develop an opinion of market value for the property described in this appraisal report, as improved, in fee simple title of ownership.

This report is based on a physical analysis of the site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The appraisal was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice.

The opinion of value reported above is as of the stated effective date and is contingent upon the certification and limiting conditions attached.

It has been a pleasure to assist you. Please do not hesitate to contact me or any of my staff if we can be of additional service to you.

Sincerely,



Jamice Welbon
Certified General Appraiser
License or Certification #: AG038658
State: CA Expires: 10/20/2017
jamice4u@gmail.com

RETAIL MIXED USE APARTMENT BUILDING APPRAISAL REPORT

Property Address: 2047-2049 Polk St	City: San Francisco	State: CA	Zip: 94109
County: San Francisco	Legal Description: Block 0574 Lot 002		
SUBJECT			
Building Name (if applicable): Eclipse Hair Design			
Parcel ID #(s): 0574-002			
Borrower (if applicable): N/A			
Current Owner of Record: Gary C & Rida Yeung			
Property Use (if mixed, check all that apply): <input type="checkbox"/> Office <input type="checkbox"/> Commercial <input type="checkbox"/> Industrial <input type="checkbox"/> Retail <input checked="" type="checkbox"/> Other (describe) Mixed Use Retail Residential			
Comments on Property Use: The subject property is currently being used as a 2 Unit Mixed Use building.			
Market Area Name: Nob Hill		Map Reference: 41884	
		Census Tract: 0110.00	

ASSIGNMENT PARAMETERS			
The purpose of this appraisal is to develop an opinion of: <input checked="" type="checkbox"/> Market Value (as defined), or <input type="checkbox"/> other type of value (describe) Market Valuation			
Intended Use: The intended use for this appraisal is to determine the market value for the subject property to help aid with the market valuation of the property located on 2047-2049 Polk St San Francisco, CA.			
Intended User(s) (by name or type): The intended users of this appraisal report is Gary C. Yeung and who ever they decided to share the report with.			
This report is not intended by the appraiser(s) for any other use or by any other user(s). The appraiser(s) assume no liability for any unauthorized use of this appraisal report.			
Client: Gary C. Yeung		Contact: Gary C. Yeung	
Address: 2047-2049 Polk St, San Francisco, CA 94109			
Phone: (415) 828-9119		Fax: E-mail: 2047polkst@gmail.com	
Appraisal Company: Advanced Property Appraisers			
Address: 714 Blossom Way, Hayward, CA 94541			
Phone: (415) 902-2735		Fax: (800) 607-3091	
Web: http://www.advancedpropertyappraisers.com			
Appraiser: Jamice Welbon		Co-Appraiser:	
Designation: Certified General Appraiser		Designation:	
Certificate or License #: AG038658		Certificate or License #:	
Expiration Date: 10/20/2017		Expiration Date:	
State: CA		State:	
Property Rights Appraised: <input checked="" type="checkbox"/> Fee Simple <input checked="" type="checkbox"/> Leasehold <input type="checkbox"/> Leased Fee <input type="checkbox"/> Other (describe)			
Reporting Option(s): <input checked="" type="checkbox"/> Appraisal Report <input type="checkbox"/> Restricted Appraisal Report <input type="checkbox"/> Other (describe)			
This report reflects the following value (if not Current, see comments): <input checked="" type="checkbox"/> Current (the Inspection Date is the Effective Date) <input type="checkbox"/> Retrospective <input type="checkbox"/> Prospective			
<input type="checkbox"/> If checked, this report is also subject to the following Hypothetical Conditions and/or Extraordinary Assumptions:			
Hypothetical Conditions (if applicable): <u>None noted.</u>			
Extraordinary Assumptions (if applicable): <u>None noted.</u>			

SCOPE OF WORK			
Extent of Inspection of Subject Property:		Data Sources Used:	
Appraiser: <input checked="" type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None		<input checked="" type="checkbox"/> MLS <input checked="" type="checkbox"/> Public Records <input type="checkbox"/> Appraiser's Files	
Date of Inspection: 03/13/2017		<input checked="" type="checkbox"/> Lender and/or Client <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Plans & Specifications <input type="checkbox"/> Contract	
Co- or Supervisory Appraiser: <input type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None		<input checked="" type="checkbox"/> Other (describe) Loopnet, Google, NDC Data, Realist and the City of San Francisco and San Francisco county website.	
Date of Inspection:			
Building Area Measured? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/>			
Approaches to Value Developed for This Appraisal: <input checked="" type="checkbox"/> Cost Approach <input checked="" type="checkbox"/> Sales Comparison Approach <input checked="" type="checkbox"/> Income Approach			
Reasons for Excluding an Approach to Value: <u>N/A</u>			
Additional Scope of Work Comments: <u>N/A</u>			

VALUE SUMMARY			
Value Indication - Total Site Value:		\$	1,467,600
Value Indication - Cost Approach:		\$	1,895,000
Value Indication - Sales Comparison Approach:		\$	1,850,000
Value Indication - Income Approach:		\$	1,860,000
Opinion of Value of any Personal Property and/or Other Non-Realty Interests Included:		\$	
DATE OF REPORT:	04/13/2017	DATE OF INSPECTION:	03/13/2017
OPINION OF VALUE (as defined): \$	1,860,000	(as is) and/or \$	1,860,000
		(other, describe)	Value with legalize in-law unit.
EFFECTIVE DATE(S) OF VALUE:	03/13/2017	(as is) and/or	03/13/2017
		(other, describe)	



RETAIL MIXED USE APARTMENT BUILDING APPRAISAL REPORT

Market Area Name: **Nob Hill** Market Area Boundaries: **The neighborhood boundaries for Nob Hill are the following: Broadway St to the North, Stockton St. to the east, Post St to the south and Van Ness St. to the South. Nob Hill is surrounded by the following neighborhoods, Russian Hill to the North, the San Francisco Financial District to the east, Union Square and Little Saigon to the South and Japantown, Lower Pacific Heights and Pacific Heights to the west.**

Characteristics

Location: Urban Suburban Rural
 Built up: Over 75% 25-75% Under 25%
 Development: Increasing Stable Decreasing
 Value Trend: Increasing Stable Decreasing
 Rental Demand: Increasing Stable Decreasing
 Vacancy Trend: Increasing Stable Decreasing

Present Land Use

	0 %	Undersupply	Balanced	Oversupply	Vacancy
Vacant:					
One-Unit Residential:	70 %	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2.0 %
Multi-Unit Residential:	10 %	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1.7 %
Office/Research & Development:	10 %	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	11.7 %
Retail:	10 %	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	5.0 %
Industrial:	0 %	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3.0 %

Change in Land Use: Unlikely Likely * Taking Place * * From: N/A * To: N/A
 Change in Economic Base: Unlikely Likely * Taking Place * * From: * To:

If any Changes in Land Use and/or Economic Base are Likely or Taking Place, indicate the impact on property values: Positive Negative None N/A

Comments on Land Use and/or Economic Base Changes and Impacts: **The appraiser does not see any foreseeable changes in Land Use or the Economic Base changes the would impact real estate prices in the immediate future.**

MARKET AREA DESCRIPTION

Marketability Factors

	Exc.	Good	Avg.	Fair	Poor	N/A
Employment Stability:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Employment:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Shopping:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Schools:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adequacy of Public Transport.:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Recreational Facilities:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Marketability Factors

	Exc.	Good	Avg.	Fair	Poor	N/A
Adequacy of Utilities:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Property Compatibility:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Protection from Detrimental Cond.:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Police and Fire Protection:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
General Appearance of Properties:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Appeal to Market:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Description/Analysis of Market Area and Market Conditions (including support for the above characteristics and trends): **The area was settled in the rapid urbanization happening in the city in the late 19th century. Because of the views and its central position, it became an exclusive enclave of the rich and famous on the west coast who built large mansions in the neighborhood. This included prominent tycoons such as Leland Stanford, founder of Stanford University and other members of The Big Four. For this reason, its early citizens were known as nabobs, which was shortened to nob, giving the area its eventual name. The neighborhood was destroyed in the 1906 earthquake and fire, except for the granite walls surrounding the Stanford, Crocker, Huntington and Hopkins mansions. Those walls remain and black scars caused by smoke from the intense fires that burned after the quake can still be seen. Also gutted by the fires was the newly completed Fairmont Hotel at Mason and California Streets, as well as the mansion of tycoon James Flood. Both structures had stone exteriors that survived the fires, and both buildings were subsequently cleaned and refurbished. The Fairmont Hotel remains in operation to this day and the Flood Mansion is the headquarters of the exclusive Pacific-Union Club. While the neighborhood was able to maintain its affluence following the quake, every mansion owner moved or rebuilt elsewhere. Some rebuilt mansions further west in San Francisco, for example, in Pacific Heights and Cow Hollow. In place of where the mansions had been located, swank hotels were erected. Hotels built over the ruins of the former mansions include the Mark Hopkins, Huntington and Stanford Court. Though Nob Hill is a very densely built neighborhood, there are parks at which residents and visitors can relax and enjoy the outdoors. The most prominent park in the neighborhood is Huntington Park, which takes up an entire block, bounded by Sacramento Street to the north, Taylor Street to the west, California Street to the south, and Cushman Street to the east. Huntington Park was formerly the site of the mansion of Central Pacific Railroad baron Collis P. Huntington; the mansion was destroyed by the 1906 earthquake and fire, however, and Mr. Huntington's widow donated the property to the city to establish a park in 1915. Huntington Park has a playground for children, landscaping, and several fountains. Washington & Hyde Mini Park is situated on a single lot between two apartment buildings on the north side of Washington Street, between Hyde Street and Leavenworth Street. Washington & Hyde Mini Park has a playground for children, landscaping, and public restrooms.**

Description/Analysis of the usages of nearby properties and in the Subject's immediate area: **The subject property is located in a residential neighborhood in which most of the buildings are residential, retail, mixed use, multi-family and office.**

SUBJECT PROPERTY SALE/TRANSFER HISTORY

Is the Subject Property currently listed for sale? No Yes If currently listed: List Price: \$ N/A Days on Market: N/A

Analysis of Listing: **The subject property has not been listed within the past 3 years.**

Is the Subject Property currently under Contract or Option? No Contract Option Has the Contract or Option been reviewed? Yes No N/A

Date of Contract or Option: N/A Expires: N/A Contract Price: \$ N/A Closing Date: N/A

Buyer: N/A Seller: N/A

Analysis of Contract/Option: **The subject property is currently not for sale.**

My research did did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s):

Subject Sale/Transfers	Prior Sale/Transfer # 1	Prior Sale/Transfer # 2	Prior Sale/Transfer # 3
Date of Sale/Transfer:	05/03/2005		
Sale/Transfer Price:	\$110,000		
Data Source(s):	Realist Doc I889-721		

Analysis of Sale/Transfer History: **The subject property has not transferred title within the past 36 months. Typical marketing times are between 6 to 12 months. The subject property has no exposure time since it is not currently on the market.**

ASSESSMENT

Assessment Date: 03/15/2016 Parcel(s) Assessed: 0574-002

Assessed Value: Total: \$ 853,065 Comments: **The tax rate for the subject property is 1.1792%**

Current Taxes: Year: 2015/16 Tax Amount: \$ 10,059.34 Special Assessments: \$ 392.06

Comments: **Please see tax bill for a break down of the tax bill. The land assessment is \$366,411 and the improvements assessment is \$483,279. The total assessed value is \$853,065. The assessed value per SQFT is \$323.13. The total tax bill is \$10,451.40.**

RETAIL MIXED USE APARTMENT BUILDING APPRAISAL REPORT

Total Site Dimensions: 20.67 X 100
 Total Site Area: 2,067 Sq.Ft. Excess Site Area (if applicable): Sq.Ft. Net Site Area: 2,067 Sq.Ft.

Street Frontage: 20.67 on Polk St.
 Other Site Features or Elements: Inside Lot Corner Lot Cul de Sac Underground Utilities Other (describe)

Utilities	Public	Other	Provider/Description	Off-site Improvements	Type	Public	Private
Electricity:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	P.G&E	Street:	4 Way Road	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gas:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	P.G&E	Width:	50 ft		
Water:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SFWPS	Surface:	Asphalt		
Sanitary Sewer:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SFWPS	Curb/Gutter:	Concrete/Concrete	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Storm Sewer:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SFWPS	Sidewalk:	Concrete	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Telephone:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	A.T&T	Street Lights:	Electrical	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Multimedia:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Comcast	Alley:	None	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Topography: Leveled
 Size: 2,067
 Shape: Rectangular
 Utility: Typical
 Drainage: Typical
 View: Neighborhood
 Rail Access: None

Does the Subject Property lie within a FEMA Special Flood Hazard Area: Yes No FEMA Flood Zone: X
 FEMA Map #: 060298 - 060298 FEMA Map Date: None

Are any environmental issues known or suspected? No If Yes, describe:

Soil Conditions: The subject property has no known soil contamination.
 Easements: The appraiser did not notice any known easements that would impact the value of the subject property.

Encroachments: The appraiser did not notice any known easements that would impart the value of the subject property.

Site Comments: The subject property is a research and development building used building with 20.67 SQFT of street frontage. The subject's site adequacy of utilities are average, with access to P.G.&E, water, telephone, cable, and etc. The subject street's are typical with adequate storm sewers and lighting, and street paving. The subject's side walks are made out of concrete. The subject property has no know site contamination. The subject's streets are two 2 line streets which have asphalt streets.

SITE DESCRIPTION

Zoning Classification: NC-Polk St. (Polk Street Neighborhood Commercial District)
 Zoning Description: The Polk Street District controls are designed to encourage and promote development which is compatible with the surrounding neighborhood. The building standards monitor large-scale development and protect rear yards at residential levels. Consistent with Polk Street's existing mixed-use character, new buildings may contain most commercial uses at the first two stories. The controls encourage neighborhood-serving businesses, but limit new eating, drinking, other entertainment, and financial service uses, which can produce parking congestion, noise and other nuisances or displace other types of local-serving convenience goods and services. They also prohibit new adult entertainment uses. No Drive thru are allowed in this district.

Do present improvements comply with existing zoning requirements? Yes No Comments:

Does the subject site comply with existing zoning requirements? Yes No Comments:

Uses allowed under current zoning: Please see attached addendum for further explanation.

Zoning Change: Unlikely Likely * Taking Place * * To: Comments:

ZONING

RETAIL MIXED USE APARTMENT BUILDING APPRAISAL REPORT

General Description

Property Type: Retail/Residential Mixed Use	Year Built: 1909	Actual Age: 108	Effective Age: 25
# of Buildings: 1	# of Stories: 4	Total Estimated Economic Life: 75	
Construction Type: Wood Frame		Estimated Remaining Economic Life: 50	
Construction Status: <input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Construction	Design or Style: Retail Style Building		
Quality: Average	Condition: Average	Other:	

Building Breakdown

Building Identification and Areas	Floor	Net Rentable Area Sq.Ft.	Sq.Ft.	Other Net Area Describe	Total Net Area Sq.Ft.	Common Area Sq.Ft.	GBA Sq.Ft.
Retail Commercial 2047	1	589			589		589
Unauthorized Unit 2047 A	1	641.38			641.38		641.38
Apartment Unit 2051	1	1,409.88			1,409.88		1,409.88
Column Totals Sq.Ft.		2,640.26			2,640		2,640.26

Describe Common Building Areas: **The subject property is a well maintained 2 story class mixed use retail/residential building. The ground floor has a retail building and an unauthorized unit. The second floor is a 3 bedroom and 2 bathroom apartment unit.**

Usage Breakdown - All Buildings

Usage Type	Total Net Sq.Ft.	Usage %	Building Ratios - Combined	Calculated Value
Office:		0 %	Building Efficiency Ratio (Net Building Area Sq.Ft./GBA Sq.Ft.):	100.00 %
Retail:	589	22 %	Floor Area Ratio (GBA Sq.Ft./Net Site Sq.Ft.):	127.73 %
Warehouse:		0 %	Building(s) Total Footprint: 1,230.38 Sq.Ft.	
Manufacturing:		0 %	Ground Coverage Ratio (Footprint Sq.Ft./Net Site Sq.Ft.):	59.52 %
Distribution:		0 %	Comments: The subject property is a mixed use building in average condition.	
Residential:	2,051.26	78 %		
Basement:		0 %		

Parking Breakdown

Item	Description	Industrial Features	Other Building Features
On Site:	Public parking in front of the building	<input checked="" type="checkbox"/> Not Applicable	<input checked="" type="checkbox"/> None Noted
Adequacy:	Parking is adequate.	# of Overhead Doors:	
Covered:	None	# of Loading Bays:	
Garage:	None	Floor Height (Feet):	
Surface:	None	Ceiling Height (Feet):	
Total # of Spaces:	0.00	Column Spacing (Feet): <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Total # of Spaces:	0	Other:	

Improvement Rating

	Exc.	Good	Avg.	Fair	Poor	N/A	Improvement Rating	Exc.	Good	Avg.	Fair	Poor	N/A
Appeal/Appearance:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Heating:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Floor Plan/Design:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Air Conditioning:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Construction Quality:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Elevators:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Exterior Condition:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Parking Area:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Interior Condition:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Fire Suppression:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Roof Cover:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Landscaping:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Insulation:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>							
Plumbing:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>							
Electrical:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>							

Building Characteristics

Item	Description
Foundation:	Concrete Slab
Frame:	Wood Frame
Exterior Walls:	Stucco
Roof Support:	Joist
Roof Cover:	Membrane
Interior Partitions:	Drywall/Concrete
Ceiling:	Wood Joist
Insulation:	Typical
Floor & Covering:	Hardwood/Carpet/Tile/Concrete
Plumbing:	Standard Copper
Electrical:	Standard Updated
Heating:	Ceiling Heater
Air Conditioning:	None
Elevators:	None
Fire Suppression:	None

Other Site Improvements: **The subject property has a rear deck and a 91 SQFT utility room.**

Personal Property and/or Other Non-Realty Interests Included in Opinion of Value: \$ **There is no personal property and or other non-realty interests included in the opinion of value.**

DESCRIPTION OF THE IMPROVEMENTS

RETAIL MIXED USE APARTMENT BUILDING APPRAISAL REPORT

Comments on the Improvements: The subject property is retail mixed use building in average overall condition and average quality of construction. The exterior of the subject property is mostly stucco and wood siding with some glass retail windows and tile walls in the front and wood siding in the rear of the property. The subject property has a membrane roof.

DESCRIPTION OF THE IMPROVEMENTS (continued)

Summary of Highest & Best Use: The current use is the highest and best use for the subject property.

HIGHEST AND BEST USE

Highest & Best Use as if vacant: Due to the fact that the subject property is a retail apartment mixed use building the current use is the legally permissible, physically possible, financially feasible, and maximally productive use would be the current use due to the fact that the size and location of the subject property physically possible use could only be a retail apartment mixed use building.

Highest & Best Use as improved: Present use Proposed use (explain) Other use (explain) Current use of a retail mixed use apartment building is the highest and best use of the subject property.

Actual Use as of Effective Date: Is a retail apartment mixed use building.
 Use as appraised in this report: Is a retail apartment mixed use building.

RETAIL MIXED USE APARTMENT BUILDING APPRAISAL REPORT

Methodology - The Opinion of Site Value is derived by the utilization of the following method(s) (see attached addenda for definitions):

- Sales Comparison Allocation Method Extraction Method Land Analysis (see attached addendum)
 Other Method (describe)

Methodology Comments:

FEATURE	SUBJECT PROPERTY	COMPARABLE SITE NO. 1		COMPARABLE SITE NO. 2		COMPARABLE SITE NO. 3	
Address	2047-2049 Polk St San Francisco, CA 94109	1930 Pine St San Francisco, CA 94109		156-158 Sproule Ln San Francisco, CA 94108		1 Pelton Pl San Francisco, CA 94133	
Proximity to Subject							
Lot/Map Identifier	712-C7	0650-013		0222-162		0161-011	
Sale/Deed Reference	OK488-244	0J790-00478		0J958-033		0J650-099	
Data Source(s)	Realist G0534-078	Realist J962-449		Realist 0L060-012		Realist 0J650-099	
Verification Source(s)	Inspection	SFAR MLS 425979		SFAR MLS 404558		SFAR MLS 436598	
Sale Price	\$ N/A	\$ 1,488,000		\$ 1,220,000		\$ 995,000	
C.E. ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjust	DESCRIPTION	+(-) \$ Adjust	DESCRIPTION	+(-) \$ Adjust
Rights Appraised	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Date of Sale/Time	N/A	12/11/2013		01/08/2014		Active	
Conditions of Sale	Conventional	Conventional		Conventional		Conventional	
Sale Concessions	None	None		None		None	
D.O.M.	N/A	73 D.O.M.		325 D.O.M.		Unknown	
Cash Equivalent Price	\$	\$ 1,488,000		\$ 1,220,000		\$ 995,000	
C.E.Price/ Sq.Ft.	\$	\$ 708.91		\$ 743.90		\$ 339.94	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) % Adjust	DESCRIPTION	+(-) % Adjust	DESCRIPTION	+(-) % Adjust
Net Site Area (in Sq.Ft.)	2,067	2,099		1,640		2,927	
Location	Nob Hill	Lower Pacific Height		Inner Richmond		Inner Mission	
Topography	Level	Level		Level		Level	
Shape/Utility	Rectangular	Rectangular		Rectangular		Slightly Irregular	
Utilities	Typical	Typical		Typical		Typical	
Site Improvements	Retail Medical Office	Retail Building		3 Story Resid		Retail	
Lot Size	Similar	Similar		Larger		Smaller	
Lot Zoning	NC2	RH-2		NC2		CRNC	
Frontage	25 Ft	25 Ft		25 Ft		126 Ft	
Adjusted Price/SQFT	N/A	\$708.91		\$743.90		\$339.94	
Adjusted Sales Price	N/A	\$1,488,000		\$1,220,000		\$995,000	
Net Adjustment (Total, in \$)		<input type="checkbox"/> + <input type="checkbox"/> -	\$	<input type="checkbox"/> + <input type="checkbox"/> -	\$	<input type="checkbox"/> + <input type="checkbox"/> -	\$
Net Adjustment (Total, in % of C.E.)		Net	%	Net	%	Net	%
Adjusted Sale Price (in \$)		Gross	% \$ 1,488,000	Gross	% \$ 1,220,000	Gross	% \$ 995,000

Comments/Analysis of Comparable Sites: Comparable #1 thru #3 are most similar to the subject property and thus is the indication of value. The average price/SQFT for comparables #1 thru #3 is \$597.58 and the median price/SQFT for comparables #1 thru #3 is \$708.91. The appraiser reconciles the price/SQFT for the land at \$701.25.

Comments/Analysis of Excess Land (if applicable): N/A

Net Site - Indicated Value

Net Site Area: 2,067 Sq.Ft. X Indicated Value of Net Site per Unit Area: \$ 710.00 = \$ 1,467,570

Excess Land - Indicated Value (if applicable)

Excess Land Area: Sq.Ft. X Indicated Value of Excess Land per Unit Area: \$ = \$

INDICATED VALUE OF THE SUBJECT TOTAL SITE (Net Site Indicated Value + Excess Land Indicated Value) = \$ 1,467,600

SITE VALUATION

RETAIL MIXED USE APARTMENT BUILDING APPRAISAL REPORT

FEATURE	SUBJECT PROPERTY	COMPARABLE RENTAL NO. 1		COMPARABLE RENTAL NO. 2		COMPARABLE RENTAL NO. 3	
Address	2047-2049 Polk St San Francisco, CA 94109	780 Bay St San Francisco, CA 94109		1815 Jackson St San Francisco, CA 94109		1474 Sacramento St. San Francisco, CA 94109	
Proximity to Subject		0.66 miles N		0.24 miles SW		0.35 miles SE	
Building Usage/Name	Retail Mixed Use 2 Units	Apartment		Apartment		Apartment	
Tenant Name	Multiple Tenants	Multiple Tenants		Multiple Tenants		Multiple Tenants	
Date of Lease	Unknown	Unknown		Unknown		Unknown	
Date of Rent Survey	Unknown	Unknown		Unknown		Unknown	
Current Vacancy %		Unknown		Unknown		Unknown	
Data Source(s)	NDC Data	SFAR MLS 445268		SFAR MLS 444640		Craigslislist 6053353920	
Verification Source(s)	Inspection	Realist		Realist		Realist	
Actual Annual Rent			\$ 83,945		\$ 71,934		\$ 59,941
RENT ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjust	DESCRIPTION	+(-) \$ Adjust	DESCRIPTION	+(-) \$ Adjust
Type of Lease *	NNN	NNN		NNN		NNN	
Length of Lease	3-5 Years	3-5 Years		3-5 Years		3-5 Years	
Rent Concessions	None	None		None		None	
Market Conditions/Time	Current	Current		Current		Current	
Tenant Improvements	None	None		None		None	
Furnishings/Fixtures	Typical	Typical		Typical		Typical	
Equipment	Typical	Typical		Typical		Typical	
Utilities	Typical	Typical		Typical		Typical	
Adjusted Annual Rent			\$ 83,945		\$ 71,934		\$ 59,941
Adjusted Ann. Rent/SF		\$ 38.99		\$ 50.48		\$ 59.23	
MARKET ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$/SF Adjust	DESCRIPTION	+(-) \$/SF Adjust	DESCRIPTION	+(-) \$/SF Adjust
Gross Building Area	2,640.26 sq.ft.	2,153 sq.ft.		1,426 sq.ft.		34,148 sq.ft.	
Tenant Area Compared	2,640.26 sq.ft.	2,153 sq.ft.		1,425 sq.ft.		1,012 sq.ft.	
Net Site Area (in Sq.Ft.)	2,067	3,321		2,312		10,141	
Location	Nob Hill	Cow Hollow		Russian Hill		Nob Hill	
Type of Construction	Wood Frame	Concrete Block		Concrete Block		Concrete Block	
Construction Quality	Average	Average		Average		Average	
Age	108	91		109		110	
Condition	Average	Average		Average		Average	
Parking	Street Parking	Street Parking		2 Parking Spaces		2 Parking Spaces	
Total Rooms	5	6		6		5	
Bedrooms	3	3		3		3	
Bathrooms	2	2		2		2	
Actual Tenant SQFT	1,410	2,153		1,425		1,012	
Net Adjustment (Total, in \$)		<input type="checkbox"/> + <input type="checkbox"/> -	\$	<input type="checkbox"/> + <input type="checkbox"/> -	\$	<input type="checkbox"/> + <input type="checkbox"/> -	\$
Net Adjustment (Total, in \$ / SF)		Net	%	Net	%	Net	%
Indicated Market Rent (in \$ / SF)		Gross	% \$ 38.99	Gross	% \$ 50.48	Gross	% \$ 59.23

COMPARABLE RENTALS ANALYSIS

* Lease Type Abbreviations: G = Gross Lease; N = Net Lease; NNN = Triple Net; MG = Modified Gross; P = Expense Pass Through; O = Sales Overage Rents; C = Common Area Maintenance; R = Renewal Option

Comments/Analysis of Comparable Rentals: The rental range for comparables #1 thru #3 is from a low of \$38.99 to a high of \$59.23. Comparables #1 thru #3 are most similar to the subject property, with an average of \$49.57/SQFT and a median of \$50.48. The appraiser reconciles it to \$50.00/SQFT. Comparable #2 has the most similar SQFT. The appraiser notice

The appraiser also found a Studio a 450 SQFT studio on Craigslislist (6073296795) for 2,395 which goes for \$63.87/SQFT. This unit is very similar to the unwarranted in law unit in the subject property.

RETAIL MIXED USE APARTMENT BUILDING APPRAISAL REPORT

INCOME:		From: 03/13/2015	To: 03/13/2016		
Item	ACTUAL	Comment		FORECASTED (non-stabilized)	Comment
Annual Rent	\$ 137,400			\$ 155,539	
	\$			\$	
	\$			\$	
	\$			\$	
	\$			\$	
Potential Gross Income	\$ 137,400			\$ 155,539	
Vacancy (% of PGI)	3.00 %			3.00 %	
& Collection Loss	\$(4,122)			\$(4,666)	
	\$			\$	
	\$			\$	
	\$			\$	
Effective Gross Income	\$ 133,278			\$ 150,873	
EXPENSES:		ACTUAL	Comment	FORECASTED (non-stabilized)	Comment
Property Management (% of EGI)	4.0 %	Property Management 4.0% of EGI		4.0 %	
Property Management	\$ 5,330			\$ 6,035	
Property Taxes	\$ 22,200			\$ 22,200	
Insurance	\$ 925	Actual/ Estimated @ .35/SQFT		\$ 925	
Electricity	\$ 1,800	Projected Electricity 12 months		\$ 1,800	
Gas	\$			\$	
Water	\$ 600	Projected Water 12 months		\$ 600	
Sewer	\$			\$	
Janitorial	\$			\$	
Maintenance	\$ 4,000	Building Maintenance 3.0% EGI		\$ 4,525	
HVAC Maintenance	\$	Included in Maintenance		\$	
Elevator Maintenance	\$	None		\$	
Trash Removal	\$ 900	75.00/Month		\$ 900	
	\$			\$	
	\$			\$	
	\$			\$	
	\$			\$	
	\$			\$	
Reserves	\$ 2,650	Reserves 2.00% of EGI		\$ 3,015	
Total Expenses	\$ 38,405			\$ 40,000	
Net Operating Income	\$ 94,873			\$ 110,873	
Expenses in \$/SF GBA:	\$ 14.55 /SF GBA			\$ 15.15 /SF GBA	
Expense Ratio:	28.82 %			26.51 %	

INCOME & EXPENSE HISTORY & FORECAST

Comments/Analysis of the Subject Income & Expenses: The typical expense range for the subject property type is between 25 to 35%. The subject property had an expense rate of 33.66% which is with in the expense range.

Comments on the Income Capitalization Methodologies Used: The appraiser derived the capitalization rate for the subject property by extrapolating capitalization rates from the market comparables from MLS SFAR.

Capitalization Rate Extraction from Comparable Sales						
Comparable Property Name or Address	Date of Sale	Sale Price	Net Operating Income	Capitalization Rate	Source and/or Comments	
160 10th St. San Francisco, CA	10/11/2016	\$ 1,450,000	\$ 43,355	2.99 %	Loopnet	
1800 19th Ave San Francisco, CA	07/25/2016	\$ 1,651,000	\$ 87,668	5.31 %	Loopnet	
3322 Steiner St. San Francisco, CA	04/29/2016	\$ 3,050,000	\$ 155,855	5.11 %	Loopnet	
1524 20th St. San Francisco, CA	03/31/2016	\$ 2,103,000	\$ 57,622	2.74 %	Loopnet	
1884 Market St San Francisco, CA	04/22/2014	\$ 1,550,000	\$ 87,575	5.65 %	Loopnet	
2267 Market St San Francisco, CA	12/31/2013	\$ 1,125,000	\$ 51,863	4.61 %	Loopnet	

Cap. Rate Range by Sales Extraction: From: 2.99 % To: 5.65 % Indicated Capitalization Rate by Sales Extraction: 5.10 %

Comments/Reconciliation of Capitalization Rate Extraction: The average cap rate for the cap rate comparables property is 4.40% and the median cap rate for the cap rate comparables is 4.86%. The appraiser reconciles the capitalization rate at 4.75%.

INCOME CAPITALIZATION

Other Capitalization Rate Determination Methods and Indicators Used (only if valid and appropriate for this report)			Addenda Attached	Indicated Cap. Rate
Methodology			<input type="checkbox"/>	%
Band of Investment			<input type="checkbox"/>	%
Yield Capitalization			<input type="checkbox"/>	%
Published Study			<input type="checkbox"/>	%

Comments/Reconciliation of Other Capitalization Rate Method(s) Used: None

RETAIL MIXED USE APARTMENT BUILDING APPRAISAL REPORT

Value Indication - Total Site Value:	\$	1,467,600
Value Indication - Cost Approach:	\$	1,895,000
Value Indication - Sales Comparison Approach:	\$	1,850,000
Value Indication - Income Approach:	\$	1,860,000
Opinion of Value of any Personal Property and/or Other Non-Realty Interests Included:	\$	

Final Reconciliation: **The subject property is an income producing property income producing property must be reconciled with the income approach. The appraiser reconciled the as-is value subject at \$1,860,000. This is the value of the subject property with the unwarranted in-law.**

As part of this assignment the appraiser was told he must give to values for the subject property. The second value must be the value for the subject property if the unwarranted in-law was converted into awarranted residence. Due to the fact that the subject property is under rent control. The subject property's rent is below the market. The subject property currently rents at \$30.89/SQFT and the market rent is \$63.75. The current and future rent would be the same due to the rent control constraints. The appraiser reconciled the appraisal value for the subject property with a legalized unit will be to be \$1,860,000 due to fact that the subject property is a rent control unit and the tenant's rent is significantly below the market rent due to rent control.

FINAL RECONCILIATION

DATE OF REPORT:	04/13/2017	DATE OF INSPECTION:	03/13/2017
Based on the degree of inspection of the Subject Property, as indicated below, the defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certifications, my (our) Opinion of the Market Value (or other specified value type), as defined herein, of the Subject Property is:			
OPINION OF VALUE (as defined): \$	1,860,000	(as is) and/or \$	1,860,000 (other, describe) Value with legalize in-law unit.
EFFECTIVE DATE(S) OF VALUE:	03/13/2017	(as is) and/or	03/13/2017 (other, describe)

A true and complete copy of this report contains 71 pages, including exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report.

- Attached Exhibits:
- | | | | |
|---|---|---|--|
| <input type="checkbox"/> Scope of Work | <input type="checkbox"/> Limiting Cond./Certification | <input type="checkbox"/> Narrative Addendum | <input type="checkbox"/> Photograph Addenda |
| <input type="checkbox"/> Sketch Addendum | <input type="checkbox"/> Map Addenda | <input type="checkbox"/> Cost Addendum | <input type="checkbox"/> Flood Addendum |
| <input type="checkbox"/> Additional Sales | <input type="checkbox"/> Additional Rentals | <input type="checkbox"/> Income/Expense Addenda | <input type="checkbox"/> Hypothetical Conditions |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

If required for this assignment, further attachments may be indicated elsewhere in this report.

Client Contact: Gary C. Yeung Client Name: Gary C. Yeung
 E-mail: 2047polkst@gmail.com Address: 2047-2049 Polk St, San Francisco, CA 94109

<p>APPRaiser</p>  <p>Appraiser Name: <u>Jamice Welbon</u> Company: <u>Advanced Property Appraisers</u> Phone: <u>(415) 902-2735</u> Fax: <u>(800) 607-3091</u> E-mail: <u>jamice4u@gmail.com</u> Date of Report (Signature): <u>04/13/2017</u> License or Certification #: <u>AG038658</u> State: <u>CA</u> Designation: <u>Certified General Appraiser</u> Expiration Date of License or Certification: <u>10/20/2017</u> Inspection of Subject: <input checked="" type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: <u>03/13/2017</u></p>	<p>SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable)</p> <p>Supervisory or Co-Appraiser Name: _____ Company: _____ Phone: _____ Fax: _____ E-mail: _____ Date of Report (Signature): _____ License or Certification #: _____ State: _____ Designation: _____ Expiration Date of License or Certification: _____ Inspection of Subject: <input type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: _____</p>
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SIGNATURES

This page intentionally left blank.

D.A. CHECKLIST (p. 1 OF 2): The address of the project is : 2047 POLK STREET

For ALL tenant improvement projects in commercial use spaces, both pages a/this checklist are required to be reproduced on the plan set and signed.

1. The proposed use of the project is VIOLATION CORRECTIONS
(e.g. Retail, Office, Restaurant, etc.)

2. Describe the area of remodel, including which floor: 1ST FLOOR

3. The construction cost of this project excluding disabled access upgrades to the path of travel is \$ 10,000.00, which is ; (check one) more than / less than 2015 Accessibility Threshold amount of \$147,863.00 (updated annually by the California Division of the State Architect).

4. Is this a City project and/or does it receive any form of public funding? Check one: Yes / No
Note: If Yes, then see Step 3 on the Instructions page of the Disabled Access Upgrade Compliance Checklist package for additional forms required.

Conditions below must be fully documented by accompanying drawings
5. Read A through D below carefully and check the most applicable boxes. Check one box only:

A: All existing conditions serving the area of remodel fully comply with access requirements. No further upgrades are required:
Fill out page 2 of DA Checklist

B: Project Adjusted cost of construction is greater than the current valuation threshold:
Fill out and attach page 2 of D.A. Checklist and any other required forms to plans

C: Project adjusted cost of construction is less than or equal to the current valuation threshold:
List items that will be upgraded on Form C. All other items shall be checked on page 2 of the DA Checklist in the "Not required by code" column.

D: Proposed project consists entirely of Barrier removal:
Fill out and attach Barrier removal form to Plans

E: Proposed project is minor revision to previously approved permit drawings only.
(Note: This shall NOT be used for new or additional work) Provide previously approved permit application here: _____
Description of revision: _____

CBC chapter 2 section 202 Definitions:
Technically Infeasible. An alteration of a building or a facility, that has little likelihood of being accomplished because the existing structural conditions require the removal or alteration of a loadbearing member that is an essential part of the structural frame, or because other existing physical or site constraints prohibit modification or addition of elements, spaces or features that are in full and strict compliance with the minimum requirements for new construction and which are necessary to provide accessibility.
Unreasonable Hardship. When the enforcing agency finds that compliance with the building standard would make the specific work of the project affected by the building standard infeasible, based on an overall evaluation of the following factors:
1. The cost of providing access.
2. The cost of all construction contemplated.
3. The impact of proposed improvements on financial feasibility of the project.
4. The nature of the accessibility which would be gained or lost.
5. The nature of the use of the facility under construction and its availability to persons with disabilities
The details of any Technical Infeasibility or Unreasonable Hardship shall be recorded and entered into the file of the Department. All Unreasonable Hardships shall be ratified by the AAC.

Form C: DISABLED ACCESS 20% RULE

This form is only required for projects equal to or under the valuation threshold when box "c" is checked off on the D.A. Checklist and is for providing an itemized list of the estimated costs for the expenditures used for disabled access upgrades for this project. Reproduce this form along with the D.A. Checklist and any required forms on the plans.

Based on CBC Section 11B-202A Exception B, only projects with a construction cost less than or equal to the valuation threshold are eligible for the 20% rule. In choosing which accessible elements to provide, priority should be as listed on p. 2 of the D.A. Checklist.

In general, projects valued over the threshold are not eligible for the 20% rule (see CBC 11B-202A Exceptions through B for other exceptions).

CBC Section 11B-202A, Exception 9 (abbreviated): In alteration projects involving buildings & facilities previously approved & built without elevators, areas above & below the ground floor are subject to the 20% disproportionality provisions described in Exception B, even if the value of the project exceeds the valuation threshold in Exception B. Refer to the Code for the types of buildings & facilities that qualifies for this 20% disproportionality provisions when project valuation is over the threshold.

	Estimated Cost	DBI Revised Cost
A) Cost of Construction: (Excluding Alterations to the Path of Travel as required by 11B-202A)	\$ <u>8,000.00</u>	\$ _____
B) 20 % of A) :	\$ <u>1,600.00</u>	\$ _____

List the Upgrade Expenditures and their respective construction cost below:

<u>POWER ASSISTED DOOR OPENER</u>	<u>2,000.00</u>	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Total Upgrade Expenditures should be approximately equal to, but not to exceed, Line B \$ 2,000.00

D.A. CHECKLIST (p. 2 OF 2): The address of the project is : 2047 POLK STREET

Check all applicable boxes and specify where on the drawings the details are shown:

	Existing Fully Complying	Will be Upgraded to Full Compliance	Equivalent Facilitation will provide full access	Compliance is Technically Infeasible	Approved in compliance with immediately preceding code	Not required by Code (and/or none existing)	Non-compliant request UHR Must be ratified by AAC	Location of detail(s)- include detail no. & drawing sheet (do not leave this part blank!) Also clarification comments can be written here.
A. One accessible entrance including: approach walk, vertical access, platform (landings), door / gate and hardware for door/gate	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<u>SHEET A-1</u>
B. An accessible route to the area of remodel including: Parking/access aisles and curb ramps Curb ramps and walks Corridors, hallways, floors Ramps elevators, lifts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>SHEET A-1</u>
C. At least one accessible restroom for each sex or a single unisex restroom serving the area of remodel.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>SHEET A-1</u>
D. Accessible public pay phone.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
E. Accessible drinking fountains.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
F. Additional accessible elements such as parking, stairways, storage, alarms and signage.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>SHEET DA-2</u>
See the requirements for additional forms listed below	1.	2.	3.	4.	5.	6.	7.	

Note: upgrades below are listed in priority based on CBC-11B-202.4, exception B

- No additional forms required
- No additional forms required
- Fill out Request for Approval of Equivalent Facilitation form for each item checked and attach to plan.
- Fill out Request for Approval of Technical Infeasibility form for each item checked and attach to plans.
- Provide details from a set of City approved reference drawings, provide its permit application number here:
_____ and list reference drawing number on plans.
- No additional forms required
- Fill out Request for an Unreasonable Hardship form for each item checked and attach to plan. All UHR must be ratified by the Access Appeals Commission (see UHR form for details)

PROJECT INFORMATION

ADDRESS: 2047 POLK ST., SAN FRANCISCO CA 94109 BLOCK: 0514 LOT:002
OCCUPANCY: 1ST FLOOR RETAIL (M) 2ND FLOOR DWELLING (R-3)
BUILDING TYPE: V-B

SCOPE OF WORK

CONDITIONAL USE - REMOVAL OF UNIT (NON-PERMITTED)
1. REMOVE KITCHEN
2. ADD AUTOMATIC DOOR OPENER TO STORE

SCHEDULE OF DRAWING

T-1 PROJECT INFO, SCOPE OF WORK, SCHEDULE OF DRAWINGS, DA CHECKLIST
A-1 PROJECT INFO, EXIST.1ST FLOOR AND DEMOLITION PLAN, 1ST FLOOR PROPOSED PLAN
A-2 EXISTING 2ND FLOOR PLAN, EQUIVALENT FACILITATION FORM

CODE INFORMATION

ALL CONSTRUCTION SHALL COMPLY WITH THE FOLLOWING:
2013 CALIF. BLDG. CODE AND SAN FRANCISCO BUILDING CODE AMENDMENTS
2013 CALIF. ELEC. CODE AND SAN FRANCISCO ELECTRICAL CODE AMENDMENTS
2013 CALIF. PLUMBING CODE AND SAN FRANCISCO PLUMBING CODE AMENDMENTS
2013 CALIF. MECH. CODE AND SAN FRANCISCO MECH. CODE AMENDMENTS
2013 CALIF. GREEN BLDG. CODE AND SAN FRANCISCO GREEN BUILDING CODE AMENDMENTS
2013 CALIFORNIA ENERGY CODE



ARCHITECTURE + PLANNING
61 Walter U Lum Pl
3/F San Francisco
94108-1801 CA
U S A
(415) 391-3313
(Fax) 391-3649

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Project Title:

REMOVAL OF ILLEGAL UNIT

2047 POLK ST
SAN FRANCISCO CA

Consultants:

JOB NO. **2015-26**

Date: **10/26/16**
Checked By: **SK**
Drawn By: **YK,SK**

ISSUANCES & REVISIONS:

No.	Date	Description

Stamp:

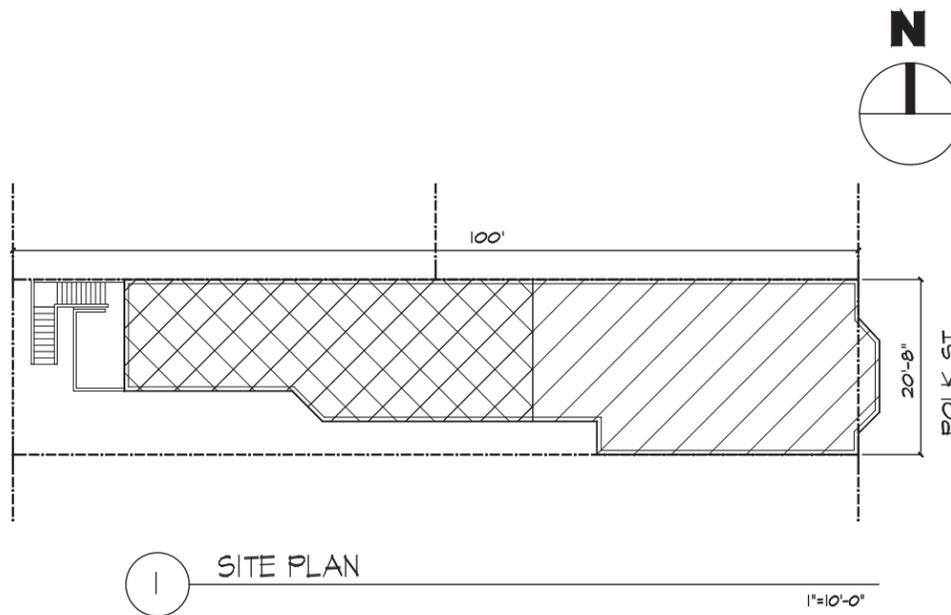


Sheet Title

PROJECT INFO. DA CHECKLIST

Sheet No.

T-1



1 SITE PLAN



ARCHITECTURE
+ PLANNING
61 Walter U Lum Pl
3/F San Francisco
94108-1801 CA
U S A
(415) 391-3313
(Fax) 391-3649

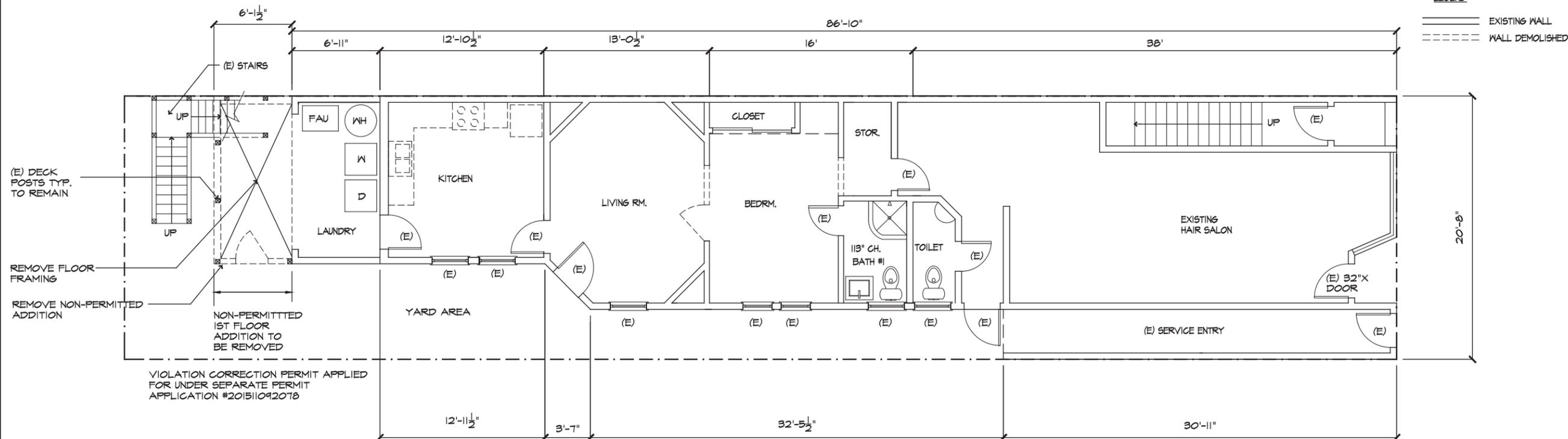
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Project Title:

**REMOVAL OF
ILLEGAL UNIT**

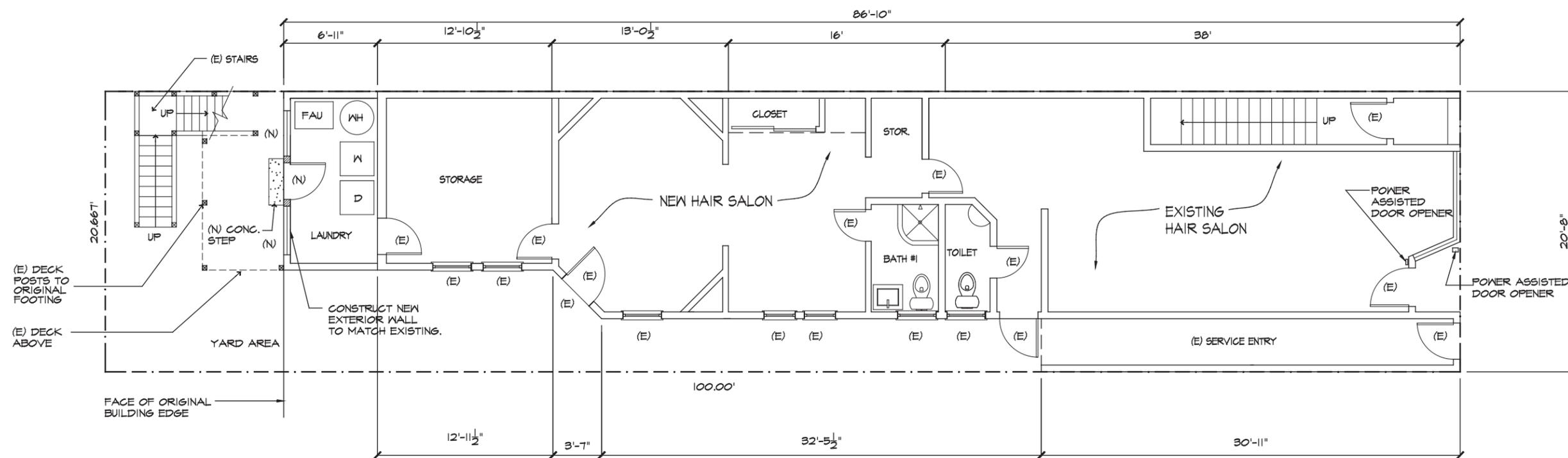
2047 POLK ST
SAN FRANCISCO CA

Consultants:



1 EXISTING FIRST FLOOR AND DEMOLITION PLAN

1/4"=1'-0"



2 PROPOSED FIRST FLOOR PLAN

1/4"=1'-0"

JOB NO. 2015-26

Date: 10/26/16
Checked By: SK
Drawn By: YK,SK

ISSUANCES & REVISIONS:

No.	Date	Description

Stamp:



Sheet Title

**EXISTING 1ST
FL, DEOMLITON
PLAN + PROPOSED
1ST FLOOR PLAN**

Sheet No.

A-1



ARCHITECTURE
+ PLANNING
61 Walter U Lum Pl
3/F San Francisco
94108-1801 CA
U S A
(415) 391-3313
(Fax) 391-3649

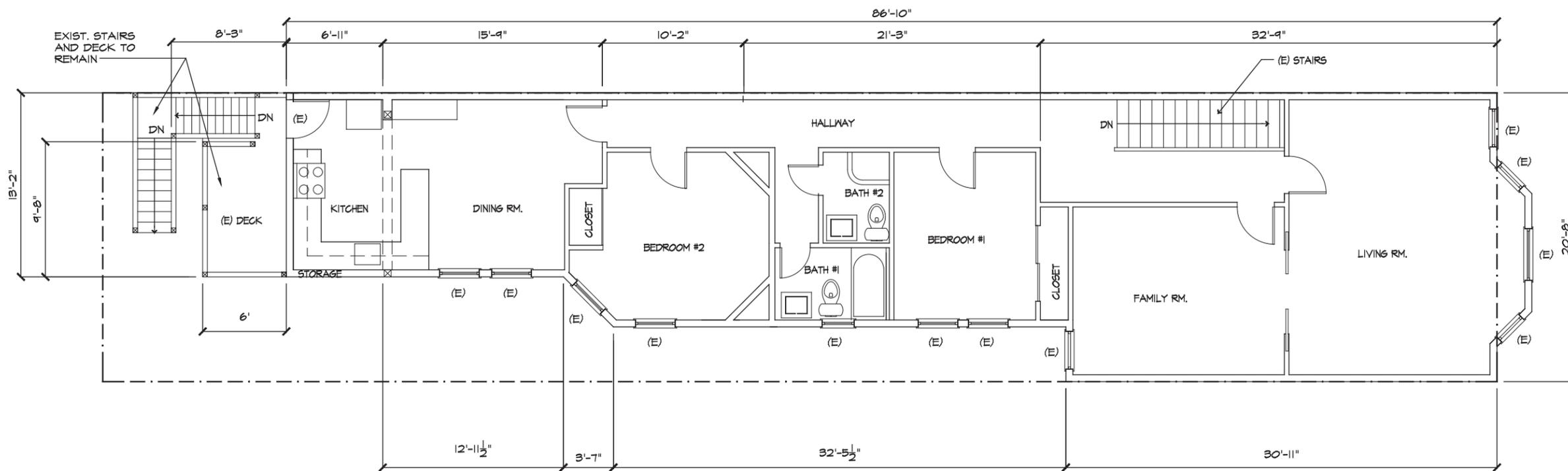
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Project Title:

**REMOVAL OF
ILLEGAL UNIT**

2047 POLK ST
SAN FRANCISCO CA

Consultants:



1 EXISTING 2ND FLOOR PLAN (NO WORK)

1/4"=1'-0"

APPROVAL OF EQUIVALENT FACILITATION REQUEST

For Projects with an Adjusted Construction Cost Exceeding the Current Valuation Threshold and Requesting Approval of a design, products or technologies alternative to the prescriptive details of the Disabled Access Regulations as per CBC section 11B-103

1. Site Address: 2407 POLK ST. 2. Floor: 1ST FLOOR
 3. Permit Application No.: _____ 4. Request No.: ONE
 5. Existing Use: RETAIL 6. Proposed Use: RETAIL
 7. Existing Occupancy: M 8. Proposed Occupancy: M

g. Description of proposed work or path of travel upgrade for which equivalent facilitation is requested:

POWER ASSISTED DOOR OPENER AT PRIMARY ENTRY

CBC 11B-103, nothing in these requirements prevents the use of designs, products, or technologies as alternatives to those prescribed, provided they result in substantially equivalent or greater accessibility or usability. See CBC Chapter 2, section section 202: Equivalent Facilitation

We request that the following be approved as an equivalent facilitation to the prescriptive regulations. This equivalency will provide equal or greater accessibility and usability. This equivalency provides for the maximum independence of the persons with disabilities equal or greater accessibility and usability. This equivalency provides for the maximum independence of the persons with disabilities while presenting the least risk of harm injury or other hazards to such persons or others.

10. Detailed description of the requested equivalency. Provide details, documents and drawings if required:

11. This Equivalent Facilitation is addressed by:

- Information Sheet DA- T-1 Administrative Bulletin AB- _____
 AB-005 Local Equivalency _____
 Other: _____

Note: Ratification by the Access Appeals Commission is not required for Equivalent Facilitation Request.

12. Applicant's Name (Print): SAMUEL KWONG, ARCHITECT
 Owner Tenant Agent

Applicant's Signature: _____

13. Applicant's Address: 61 WALTER U LUM PLACE, SAN FRANCISCO CA 94108

14. Applicant's Phone: 415-391-3313 Applicants Email: samkwong-arcus@pacbell.net

APPROVAL OF EQUIVALENT FACILITATION REQUEST (page 2)
FOR THE DEPARTMENT OF BUILDING INSPECTION STAFF USE ONLY

This equivalent facilitation request is:

- Approved Denied

Plans reviewed by (print name): _____

Signature of the Plans Examiner: _____

Approved for the following reason(s): _____

Denied for the following reason(s): _____

* Signature of the Group Supervisor: _____ Date: _____
 * (needed only when Denied)

If your Request for Approval of Equivalent Facilitation has been denied, the plans examiner shall inform you of the reasons for denying that request. In addition, the plans examiner's group supervisor shall provide you with a reasons for denying that request. In addition, the plans examiner's group supervisor shall provide you with a second opinion regarding the denial.

If your Request for Approval of Equivalent Facilitation has been denied, you may file an appeal with the Access Appeals Commission. Please refer to the Access Appeals Commission Information Guide, available at the Customer Services desk, for complete information on this process.

Please submit appeals in person to:
 Secretary, Access Appeals Commission

1660 Mission Street, 3rd Floor
 San Francisco, CA 94103
 (415) 558-6110

JOB NO. **2015-26**

Date: **10/26/16**
 Checked By: **SK**
 Drawn By: **YK,SK**

ISSUANCES & REVISIONS:

No.	Date	Description

Stamp:



Sheet Title

**EXISTING 2ND
FLOOR PLAN
EQUIVALENT
FACILITATION FORM**

Sheet No.

A-2

August 26, 2017

San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

RE: Case No. 2015-015918CU

Dear Planning Commission,

My name is Michael Klotsman and I have called Russian Hill my home for the past ten years. For eight of those years, I have resided at 2047 Polk Street, Unit A.

My landlord, Mr. Gary Yeung, has been aggressively trying to evict me for over three years now. In 2014, for example, he attempted to intimidate me and push me out of my home by filing an unlawful detainer using a suspended plumbing permit as a basis.¹

Mr. Yeung's rationale for removing my rental unit from housing stock continues to evolve. In 2014, he claimed that "... it would cost a minimum of \$10,000 to bring the heating up to PG&E compliance... For this and other reasons Gary Yeung decided to ... take the Unit permanently out of housing use."² Interestingly, the heating unit was brought up to compliance in 2017 without even necessitating a plumbing permit.³

Mr. Yeung's story has shifted. He now claims that the removal of my rental unit is needed to expand his place of business, Eclipse Salon. Please consider that Mr. Yeung has been running his salon in the same location for over 15 years. When Mr. Yeung rented me my unit, he explicitly stated that the rental unit "has been completely renovated and restored."⁴ Why would Mr. Yeung remodel a rental unit, only to have it removed a few years later?

It is my firm belief that Mr. Yeung wants to remove my rental unit purely for financial reasons that are disconnected from his hair salon. My upstairs neighbors⁵ and I are both long-term, rent controlled tenants. Given the escalation of rental prices over the past several years, our rents are substantially below current market rates. Please note

¹ Case Number CUD-14-649557 filed August 5, 2014

² Board of Appeals brief July 2014 (Appeal No. 14-105)

³ Permit # PM20160810984 canceled because "Contractor states that permit was not used nor needed."

⁴ Leasing agreement signed July 2009.

⁵ The upstairs residential unit, a three-bedroom apartment, is listed as 2049 Polk Street.

that if my rental unit is removed, then the upstairs residential unit will also lose its rent controlled status. Stated differently, the removal of my unit will result in the de facto removal of *two* rent controlled units. There are two residential units in the building along with the Mr. Yeung's hair salon. As such, the upstairs unit will be subject to a Costa Hawking rent increase because the property will become, for all intents and purposes, a single family dwelling.

To be clear, the approval of this Conditional Use authorization poses severe and significant consequences to my tenancy and my ability to retain affordable housing. Russian Hill is my home, and the loss of my rent-controlled unit would, more likely than not, threaten my ability to live in San Francisco. Moreover, the loss of two habitable and affordable rent-controlled units only exacerbates our city's housing shortage crisis. Russian Hill needs more, not less, affordable housing units.

In summary, I hereby request that this Conditional Use authorization (Case No. 2015-015918CUA) be denied.

Respectfully yours,

Michael Klotsman

Michael Klotsman
2047 Polk Street, Unit A
San Francisco, CA 94109
michael.klotsman@gmail.com