

CITY AND COUNTY OF SAN FRANCISCO EDWIN M. LEE, MAYOR

Office of Small Business Regina Dick-Endrizzi, Director

# Legacy Business Program Bimonthly Report May and June 2017

### Introduction

This Legacy Business Program Bimonthly Report for May and June 2017 summarizes activities of the Legacy Business Program, including the following: statistics, nominations received, business types, major accomplishments, the Business Assistance Grant, the Rent Stabilization Grant, press and major upcoming activities.

# Statistics (May and June 2017)

Nominations and Applications	May 2017	June 2017	Fiscal Year (2016-17)	Program Total
Nominations Received	5	2	101	171
Applications Received	4	4	86	116
Application Fees Received	\$150	\$150	\$4,100	\$5,400
Applications Reviewed by the Historic Preservation Commission	2	7	. 97	97
Applications Reviewed by the Small Business Commission	4	6	93	93
Businesses Placed on the Legacy Business Registry	4	6	93	93

### Nominations Received (May and June 2017)

Business Name	District	Nominator	Date Nomination Received
Ave Bar, The	7	Supervisor Norman Yee	6/29/2017
Casa Sanchez	10	Mayor Edwin Lee	6/19/2017
Elite Sport Soccer	9	Supervisor Hillary Ronen	5/9/2017
Great American Music Hall	6	Supervisor Jane Kim	5/9/2017
Izzy's Steaks and Chops	2	Supervisor Mark Farrell	5/24/2017
Jeffrey's Toys	3	Mayor Edwin Lee	5/16/2017
Shanti Project	6	Supervisor Jane Kim	5/9/2017



# Business Types (Through June 30, 2017)

	For-Profit Businesses	Nonprofit Organizations	Total	Percentage Nonprofit Organizations
Legacy Business Registry	75	18	93	19.4%
San Francisco	116,803 <sup>1</sup>	7,005 <sup>2</sup>	123,808	5.7%

# Major Accomplishments (May and June 2017)

- Presented 10 Legacy Business Registry applications to the Small Business Commission. The Commission included all 10 applicants on the Registry.
- Submitted 10 Legacy Business applications to the Historic Preservation Commission for review.
- Created a Google Map of Legacy Businesses: <u>https://drive.google.com/open?id=1frl3u5gtCKQYycK-hgkaQ45\_nlo&usp=sharing.</u>
- Transferred the Legacy Business Registry database into a custom-made Salesforce database to improve customer relationship management.
- Submitted revised Rules and Regulations to the Clerk of the Board for the Rent Stabilization Grant.
- Sent a survey to Legacy Businesses regarding succession planning in partnership with the Democracy at Work Institute; received 16 completed surveys.
- Issued the Legacy Business Program Annual Report for fiscal year 2016-17.
- Issued the Business Assistance Grant for fiscal year 2017-18 in four different languages: English, Chinese, Spanish and Tagalog.

# **Business Assistance Grant**

# DEFINITION OF "EMPLOYEE"

The Office of Small Business is considering a slight revision in the definition of "employee" for the Business Assistance Grant. This definition is only included in the application documents and not in the Rules and Regulations. The Office of Small Business is getting a determination from the City Attorney's Office as to whether this should be an adjustment in the application documents or an addition to the Rules and Regulations.

Present definition of "employee" for the Business Assistance Grant:

- If there is payroll with any employees, then the applicant should use <u>IRS determinations regarding</u> <u>employees</u> (e.g., the owner(s) is not included unless he/she is in payroll him/herself).
- If there is no payroll and no employees, then the owner(s) may be considered an employee(s) regarding the grant because the owner(s) is serving in that capacity. Please provide verification.

<sup>1</sup> All firms, 2012, U.S. Census Bureau,

<sup>&</sup>lt;sup>2</sup> Office of Economic and Workforce Development, <u>http://oewd.org/nonprofits-0</u>.



https://www.census.gov/quickfacts/fact/table/sanfranciscocountycalifornia,US/SBO001212#viewtop.

Proposed definition of "employee" for the Business Assistance Grant:

- For all applicants, if there is payroll with any employees, then the applicant should use <u>IRS</u> <u>determinations regarding employees</u> (e.g., the owner(s) is not included unless he/she is in payroll him/herself).
- For for-profit businesses, if there is no payroll and no employees, then the owner(s) may be considered an employee(s) regarding the grant because the owner(s) is serving in that capacity. Please provide verification.
- For nonprofit organizations, if there is no payroll and no employees, then the number of reported full-time equivalent employees shall be 1.

# REMOVAL OF A LEGACY BUSINESS FROM THE REGISTRY

Rules and Regulations for the removal of a Legacy Business from the Registry will be presented to the Small Business Commission in upcoming months. It will include a proposal about Legacy Businesses retaining their names.

# BUSINESSES WITH MULTIPLE DIVISIONS

Rules and regulations or a policy regarding businesses with multiple divisions will be presented to the Small Business Commission in upcoming months. For example, The Gap, Inc. operates five primary divisions: The Gap, Banana Republic, Old Navy, Intermix and Athleta. If The Gap, Inc. were to become a Legacy Business, would all five divisions be eligible for listing on the Registry? Could or should a division apply to become a Legacy Business?

# Rent Stabilization Grant (Program Total Through June 30, 2017)

Landlord of Legacy Business	Address of Legacy Business	Date Received	Grant Amount Requested	Grant Approved?
EROS: The Center for Safe Sex	2051 Market Street	3/13/2017	\$22,500	Yes
Navarro's Kenpo Karate Studio	960 Geneva Ave.	3/28/2017	\$11,700	Yes
Gilmans Screens and Kitchens	228 Bayshore Blvd.	4/11/2017	\$22,500	Yes
Flax Art & Design	2 Marina Blvd., Building D, First Floor	4/25/2017	\$22,500	No
Sam's Grill & Seafood Restaurant	374 Bush St.	4/25/2017	\$21,069	Yes
St. Francis Fountain	2801 24th St.	4/27/2017	\$12,420	Yes
TOTAL		The State	\$112,689 \$90,189	All "Yes" Only
AVERAGE			\$18,782 \$18,038	All "Yes" Only



Press (March through July 2017)

Legacy Business Program could save your favorite Seattle business My Northwest, March 1, 2017

Sourdough staple Boudin Bakery to receive slice of Legacy Business Program San Francisco Examiner, March 4, 2017

Protecting small Latino businesses in SF Mission District KTVU, March 15, 2017

<u>4 a.m. last call could revive San Francisco's nightlife</u> San Francisco Chronicle, March 16, 2017

Castro's ROLO Enters Fourth Decade With New Sportswear Store Hoodline, March 17, 2017

Time's Up For Doc's Clock Dive Bar In Final Weeks Before Move Hoodline, April 24, 2017

Elbo Room named SF legacy business as owners search for new digs Mission Local, April 26, 2017

ELBO ROOM GRANTED LEGACY BUSINESS STATUS, RELOCATION STILL TBD SF Station, April 29, 2017

<u>SF grants developers 20 foot height 'bonus' in exchange for more affordable housing</u> San Francisco Examiner, May 23, 2017

Doc's Clock Owner Loses Battle With Landlord Over Classic Sign SF Eater, May 30, 2017

North Beach atelier teaches couples to craft their own bespoke rings San Francisco Chronicle, June 1, 2017

<u>D9 Supervisor Supports Market-Rate Housing Above Rebuilt Cole Hardware</u> Hoodline, June 19, 2017

Rooky Becomes a Veteran SF Weekly, June 28, 2017

<u>Green Apple, Joe's Ice Cream, Boudin Bakery & Hamburger Haven named legacy businesses</u> by City Richmond District Blog, July 6, 2017



1 DR. CARLTON B. GOODLETT PLACE, ROOM 110, SAN FRANCISCO, CALIFORNIA 94102-4681 (415) 554-6134 / www.sfosb.org / legacybusiness@sfgov.org <u>Mission District losing auto repair shops to new housing</u> San Francisco Examiner, July 6, 2017

# Doc's Clock has a new sign at its new home SF Eater, July 10, 2017

<u>'Rooky Ricardo's Records' Secures Legacy Business Status</u> Hoodline, July 11, 2017

Haight Street staple, Rooky Ricardo's receives legacy status KTVU, July 12, 2017

Business Briefs: Businesses, nonprofits urged to seek legacy status Bay Area Reporter, July 13, 2017

<u>Green Apple Books, Boudin Bakery and Cole Hardware are officially named Legacy</u> <u>Businesses</u> Time Out, July 13, 2017

<u>Community art addresses loss, healing after fire</u> Mission Local, July 16, 2017

# Major Upcoming Activities (July 2017 and Beyond)

- Present 3 Legacy Business Registry applications to the Small Business Commission in July and 3 in August. The 100<sup>th</sup> Legacy Business is expected to be presented to the Small Business Commission on 9/11/17.
- Receive and review Business Assistance Grant applications for fiscal year 2017-18.
- Revise the Rent Stabilization Grant Rules and Regulations, Instructions and Application on 7/19/17.
- Issue a Request For Quotes for marketing and branding for the Legacy Business Registry in July; select a Contractor and negotiate a contract.
- Work with the selected Contractor on marketing and branding for the Legacy Business Registry.

# **Contact Information**

Richard Kurylo, Program Manager Legacy Business Program Office of Small Business City and County of San Francisco 1 Dr. Carlton B. Goodlett Place, City Hall Room 110 San Francisco, CA 94102-4681 Phone: (415) 554-6680 <u>legacybusiness@sfgov.org</u> <u>http://sfosb.org/legacy-business</u>



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eceived at HPC Hearing

From:ekalutz@gmail.comTo:Smith, Desiree (CPC)Cc:Matthew LuhnSubject:Jeffrey"s Toys TestimonialDate:Sunday, July 30, 2017 10:24:15 PM

### Dear Commissioners,

I'm writing in support of Jeffrey's Toys, scheduled to reopen in its new location at 45 Kearny St this October. Jeffrey's Toys has been family owned and operated since 1966, earning them a loyal following amongst urban families for their commitment to offering toys that are just as creative and unique as SF. Their unique selection of toys paired and knowledgable staff spark a sense of discovery and experimentation that can't be replicated on any url. I can't tell you how thrilled I am to hear this news, as well as the prospect of the city providing financial assistance to a small business that's been an integral part of the Bay Area for over 50 years.

As Head of Creative for Lumosity, industry leader in the science of play-based brain-training, and with a professional background of 15 years of building play-based learning experiences for children, I have a deep appreciation for the role Jeffrey's Toys plays in healthy childhood development. Play is critical to healthy brain development, allowing children to use their creativity while developing their imagination, physical dexterity, and foundational social-emotional and cognitive skills. Through play, children learn at a very early age how to engage and interact in the world around them. Jeffrey's Toys plays a critical role in helping SF children develop the sense of creativity, problem solving, and collaboration necessary for developing into the next generation of engaged, compassionate, and innovative Bay Area citizens.

Best, Erika Lutz



P - Such

July 28, 2017

Historic Preservation Commission Planning Department 1650 Mission Street San Francisco, CA

RE: Commission meeting, Aug 2, 2017 Legacy Business Registry, JEFFREY'S TOYS

Dear Commissioners:

I have known Mark Luhn over the past 8 years while he operated his Jeffrey's Toys store on Market St and now on Fourth Street in Berkeley., as an independently operated, family business. I highly recommend approval of this LEGACY application. I believe this program was developed to address the very issues faced by small busineses such as JEFFREY'S TOYS.

I have worked in the toy industry as a manufacturer's representative for over 30 years and have seen many independent stores get swallowed up by increasing rents and business expenses they can no longer sustain. The last straw was in 2015 when owner, Mark Luhn received a 60 day notice to vacate because the new owner of the Monondock Building on Market had plans to find a restaurant to replace him. It is a shame that this space remains vacant and under construction.

Mr.Luhn had been tiredlessly trying to relocate in downtown San Francisco ever since his eviction and was finally able to work through this current lease at 45 Kearny Street. He and his family are excited to continue their business here in San Francisco and continue their lifelong commitment to our families and children.

Thank you for your consideration,

CARYL ITO Bozeman & Associates 676 Miramar Avenue San Francisco, CA. 415:987-2172

Cc: Andrew Wolfram, President; Aaron Hyland, V. Preseident; Karl Hasz, Ellen Johnck, Richard Johns, Diane Matsuda, Jonathan Pearlman



Received at HPC Hearing C

 From:
 Katie

 To:
 Smith, Desiree (CPC)

 Subject:
 Jeffrey"s Toys is vital for San Francisco creativity and diversity

 Date:
 Tuesday, August 01, 2017 9:15:43 AM

July 31, 2017

Dear Commissioners,

We have enjoyed shopping at Jeffrey's Toys in San Francisco and have worked with the Luhn family for the last decade.

As residents and business owners on the peninsula for several decades, we are seeing changes and new investments to improve and expand all around us. These changes are nice in some ways, yet, we are concerned that San Francisco is losing it's creative, unique and local flavor that keeps Bay Area residents and tourists returning to shop and explore.

With so many of the new developments in San Francisco, there are more chains and less individuality, this is forcing consumers to decide if they want to bother going to San Francisco or just visit the same cookie cutter stores in the mall or shop online to replace the need to get to the city and spend money.

Jeffrey's Toys has always been a fun experience that invites every kind of person to go explore. It is an outstanding store that brings in the creative person, comic book aficionados, comic con crowd, families, tourists, Pixar and Zynga Team members, and so many more!

We believe that the Luhn Family has such a passion for unique and collectible toys. Their Store brings a warmth to San Francisco by bringing its history and local story to visiting customers. Their family has been bringing the most unique products and toys to their store, and this history dates back four generations, bringing the most unique toys and comic books to the San Francisco community for over 50 years.

We believe that the tradition of bringing Joy, Creativity and a unique story is vital to San Francisco through Jeffrey's Toys and The Luhn Family.

We believe the Luhn Family and Jeffrey's Toys will provide a richer, more creative and unique experience in San Francisco. We need to support the arts and creativity!

Thank you,

Katie Weissenborn Vanoncini

President

General Pencil Company

Handcrafted in the USA Since 1889

GeneralPencil.com

650-369-4889

# Caltagirone, Shelley (CPC)

From: Sent: To: Subject: Ales Unlimited <info@alesunlimited.com> Monday, July 17, 2017 9:50 AM Caltagirone, Shelley (CPC) Case No.: 2017-002197COA

### Dear Shelley,

We received a notice for a public hearing on the Case above. Reading the application it seems that this build out would reduce our valuable street parking space for at least two more cars. Currently it is very difficult to find parking here in the neighborhood and there are constructions going on for years now. On top of that DPT is not very lean considering the situation here and will give you immediately a parking ticket.

Further we own a business here at the corner and if that plan goes through it would make it even more difficult for customers to come to our shop and find parking. Even our yellow zone which we are paying for gets abused daily from contractors who think just because they have a commercial truck then can park all day in our yellow zone. I personally not even do that even I have commercial plates on my car. Obviously the regular parking enforcement does not care about commercial parking and so many times we must call DPT but then it takes forever until they show up.

At this point I do not think it would be a good idea to approve the build of a two car garage since it would change the front of this historical beautiful building and also it will make it difficult for residence who do not have the luxury to build such a personal parking garage.

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Kindest Regards,

Steve Smith +1 (415) 260-6034 the state of the second se

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July 16, 2017

To Whom It May Concern:

We own our home at 2319 Webster St. and live immediately next door to the Okadas' home at 2321 Webster St.

We are aware that the Okadas are planning to make renovations to their 1870s Victorian home, and that the planned changes include 1) the addition of a basement/garage, 2) entrance/landing redesign, and 3) street tree removal, all of which will alter the building's exterior and 1890s facade.

As owners of a historic 1870s Victorian structure of our own, we are heartened by the Okadas' clear intention to maintain the historic integrity of their home, and of the neighborhood in general, a matter that is very important to us as owners of the historic property next door.

We are confident that the Okadas' current renovation plan for 2321 Webster St. is a tasteful and respectful design that will enhance our community and are writing in full support of their renovation project.

Sincerel

David Klug and Annouchka Engel-Klug 2319 Webster St. SF, CA 94115

July 16, 2017

To Whom It May Concern:

We live in a historic Victorian home just off Webster St. at 2105 Pine St., just down the street from Mike and Pamela Okada whose friendship we have enjoyed for more than twenty years.

We are aware that the Okadas are planning to make renovations to their 1870s Victorian home, and that the planned changes include 1) the addition of a basement/garage, 2) entrance/landing redesign, and 3) street tree removal, all of which will alter the building's exterior and 1890s facade.

As owners of a historic 1870s Victorian structure of our own, we are heartened by the Okadas' clear intention to maintain the historic integrity of their home, and of the neighborhood in general-- a matter that is very important to us as owners of a historic property in the immediate neighborhood.

We are confident that the Okadas' current renovation plan for 2321 Webster St. is a tasteful and respectful design that will enhance our community and write in full support of their renovation project.

Sincerely Jennifer and Eric Berkowitz

Jennifer and Eric Berko 2105 Pine St. SF, CA 94115 х



SAN FRANCISCO PLANNING DEPARTMENT

# Historic Preservation Commission Draft Resolution No. XXXX

HEARING DATE: AUGUST 2ND, 2017

ADOPTION OF A POLICY STATEMENT TO CLARIFY FACTORS TO CONSIDER WHEN INCLUDING A PORTION OF A HISTORIC BUILDING IN A LARGER DEVELOPMENT THAT IS NOT DESIGNATED AS SIGNIFICANT OR CONTIBUTORY BUILDINGS UNDER ARTICLE 11 OR A LANDMARK OR IN A LANDMARK DISTRICT DESIGNATED UNDER ARTICLE 10 OF THE PLANNING CODE.

WHEREAS, Section 101.1 of the Planning Code includes the Priority Policy that historic buildings be preserved; and the loss of historical resources through demolition or adverse impacts from alteration should be avoided whenever possible, and historic preservation should be used as a key strategy in achieving the City's housing and environmental sustainability goals through the restoration, rehabilitation, and adaptive reuse of historic buildings; and

WHEREAS, the Historic Preservation Commission (HPC) and the Planning Department provide clear direction regarding the restoration and rehabilitation of properties designated pursuant to Articles 10 and 11 of the Planning Code; however, less design guidance has been prepared for significant alterations to the many non-designated historic properties throughout San Francisco; and

WHEREAS, through its Landmark Designation Work program, the HPC encourages the public to submit nominations to protect historic resources that meet the designation criteria for local designation under Articles 10 or 11 of the Planning Code; and

WHEREAS, at its regularly-scheduled hearings on December 2<sup>nd</sup>, 2015, and again on April 6<sup>th</sup>, 2016, the HPC led a discussion with the Planning Department and the public on the notion of façade retention in an effort to better understand what it means and where it may or may not be appropriate; and

WHEREAS, the HPC defines façade retention as when all portions of an existing building are demolished except for one or more of the exterior building walls that face a public right-of-way, and the retained walls are integrated into the construction of a new, and often much larger, structure ; and

WHEREAS, the HPC has determined that the practice of façade retention as defined is not encouraged given this body's role in ensuring the protection, enhancement, perpetuation and use of structures that are reminders the social and cultural contributions of past eras, important events, people, or architecture; and

WHEREAS, the HPC concurs with commonly-accepted notion that the manner in which historic properties were used and experienced includes interior features and spatial relationships that are critical elements that give the exterior façades context and relevance; and

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

Received at HPC Hearing 8

Reception: 415.558.6378

Fax: 415.558.6409

Planning Information: 415.558.6377 Resolution XXXXXX August 2<sup>nd</sup>, 2017

WHEREAS, the HPC clarifies the following policy will not avoid a significant impact to a historic resource for the purposes of CEQA and has provided separate guidance on the development of preservation alternatives in HPC Resolution No. 0746; and

Now therefore be it RESOLVED that the Commission hereby ADOPTS the following policy and directs the Planning Department and Project Sponsors to address the following factors when a portion of a historic building is proposed to be incorporated into a larger project for a specific benefit or design purpose. The factors include: BUILDING SIGNIFICANCE, LOCATION, FORM, MASSING, CHARACTER, AND INTERIOR SPACES.

#### BUILDING SIGNIFICANCE

Demolition of a building significant at the local, state, or national level is discouraged. A building may be significant for a number associations, such as events, persons, and architecture. If the building is significant for associations with the past it is recommended that the character-defining features associated with that past are retained. Alterations or additions should be located in areas that will result in the least amount of disturbance or removal of these features.

Whether a single elevation or designed "in-the-round", character-defining features need to be retained to avoid an end product that looks more like a hollow vestige than a public benefit. The primary exterior elevations of a building are not the only way in which a building conveys its historic value. The building must also retain contextual associations related to its historic use and its immediate setting. If a substantial portion of the building cannot be incorporated or the factors outlined in this Resolution cannot be sufficiently addressed, the HPC recommends it would be of greater benefit to the public for the project to fund a comprehensive and publicly-accessible interpretative component at the building site that acknowledges the building's history.

#### LOCATION, FORM, AND MASSING

The HPC acknowledges that from a design perspective it is possible incorporate portions of a historic building to benefit a sense of scale, activity, and materiality in a larger project. The location of a building, whether mid-block or on a corner, provides contextual meaning. Its overall form and massing, including rooflines, are integral to its composition. The main objective of the information below is to allow the retained portions of the building some visual and physical separation from the new development so its original form and massing are still legible in context.

If the portion to be retained is located on a corner and the new construction will be highly visible, a substantial horizontal setback from all public-facing elevations is needed for the historic portion to retain a sense of its relationship to the surrounding context.

If the portion to be retained is located mid-block, a horizontal setback of smaller proportions may be possible provided the new development is partially obscured by surround taller properties or is setback sufficiently to read as a separate building.

Occasionally, a vertical setback of one to two floors, in addition to a horizontal setback can achieve the desired visual separation. In all cases the height and depth of the setbacks should be determined by the size and scale of the addition and the character of the surrounding context.

In instances where a building's roof form is integral to its overall composition, a sufficient portion of the roof should be maintained such that the building's form can still be understood from the surrounding public right-of-way. For a flat roof building this is less of an issue. For a gable, mansard, or hipped roof buildings these conditions should inform horizontal and vertical setbacks.

### CHARACTER

A building's historic character or design is often the primary reason for including it in a larger development. This character provides a tangible relationship to the neighborhood, acts as a focal point in the development, and as a point of reference for the overall design. If a project proposes to retain only a portion of a historic building; all historic features should be retained; all non-historic features should be removed; and all features should be restored or reconstructed based on its period of significance. The strictest application of the Secretary of the Interior's Standards will be applied to these remaining portions, including windows. All mechanical, electrical, and plumbing proposed as part of the project should not interfere in any way with the features, especially mechanical overrides, intake and exhaust louvers. This approach will ensure that the retained portions of the historic building are treated based on the premise that its retention is to benefit the public and the development.

#### INTERIOR SPACES

Interior spaces, whether utilitarian or highly designed, communicate the primary historic use of the building and provide a meaningful contextual relationship between the interior and the exterior of the building as well as the surrounding context. Oftentimes these spaces functioned as large assembly areas with high ceilings and open volumes. All or a portion of these interior volumes, such as an auto support structure, a theater, a religious assembly space, or a social hall, need to be retained and adapted to remain meaningful in the context of the new development. The HPC encourages the project to adapt these spaces to public uses, commercial, and other new active uses given the proven data that the public is drawn to the distinctive and authentic experience that historic buildings provide.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on August 2<sup>nd</sup>, 2017.

Jonas P. Ionin

Acting Commission Secretary

AYES: xxxx

NOES: xxxx

ABSENT: xxxx

ADOPTED: August 2<sup>nd</sup>, 2017



# SAN FRANCISCO PLANNING DEPARTME

# Memo to the Historic Preservation Commission

HEARING DATE: AUGUST 2, 2017

DATE:	August 2, 2017	Reception: 415.558.6378
TO:	Historic Preservation Commission	Fax: <b>415.558.6409</b>
FROM:	Alexandra Kirby, Preservation Planner - (415) 575-9133	Planning Information:
RE:	Historic Preservation Code Enforcement Report	415.558.6377

dat HPC Hearing 者

1650 Mission St.

CA 94103-2479

Suite 400 San Francisco,

Reception:

This report outlines activities of the Department's Preservation Code Enforcement position from July 1, 2016 to June 30, 2017.

The primary role of the Code Enforcement Preservation Specialist is to investigate complaints and violations related to historic properties and support and train Zoning and Compliance staff to expedite review of common case types with preservation-related issues. Other responsibilities include assistance with Mills Act and Section 803.9 compliance.

# 2017 Fiscal Year Performance Measures

Between July 1, 2016 and June 30, 2017, 48 new enforcement cases were filed citing concerns surrounding historic preservation. These tend to be predominantly window or siding replacement with less common cases pertaining to unpermitted additions or more egregious problems such as demolition or abandonment of historic properties.

During this time, 19 preservation-related cases were abated, many from earlier fiscal years, and 14 were closed as "no violation." Presently, there are 53 active preservation-related cases dating to 2013. The numbers below don't reflect the significant amount of window-related cases opened during the Condominium Conversion program in 2013 - 2014, and our data doesn't accurately reflect complaint types prior to October 2014.

Year	Active cases	Closed Cases	Total
2014	4	2	6
2015	7	2	9
2016	27	24	51
2017	17	3	20

There have been three cases in the Article 10 Landmark Districts: one pertaining to exceeding the approved scope under a Certificate of Appropriateness; one regarding an unsecured abandoned building in the Alamo Square Landmark District, see below; and the third regarding unpermitted work at the rear of a property in the Dogpatch Landmark District. Article 11 Conservation Districts, most notably the Kearny-Market-Mason-Sutter District, has had a high volume of violations pertaining to unpermitted

business signage. While a majority of cases are relatively minor in scope, such as window, siding and signage violations, there have been a number of more serious cases, as noted below.

### Mills Act & Section 803.9 Monitoring

Staff will continue to coordinate with the Preservation Survey team to ensure that all Mills Act properties are obtaining all required permits and that work is being completed in a timely manner for compliance with active contracts. Five properties are currently due for five-year update reviews; staff will report back to the Commission on the status of these properties and their contracts.

There are currently a total of 16 properties that have converted office space in the Southeast Quadrant under Section 803.9 of the Planning Code, five of which were approved approximately five years ago. Staff will be consulting with property owners to confirm that all conditions of approval remain in effect and that no unpermitted work has been completed at the subject properties.

To date there are no compliance statistics to report on these programs.

Staff Recommendations - 2017 - 2018

**Vacant Building Registry** – Staff proposes to collaborate with DBI to ensure that the Department is notified about vacant properties within Article 10 or 11 Districts upon listing on the registry, and that all security measures meet the Secretary of the Interior's Standards.

**Section 176 Revisions** – Administrative Code Section 10.100-170 currently states that "Proceeds in the fund are to be expended as follows (emphasis added): (i) administration and enforcement of the <u>Planning</u> <u>Code's sign regulations</u>, including but not limited to funding Planning Department personnel assigned to work on administration and enforcement of sign regulations, and the services of the City Attorney; (ii) to the extent authorized by state law, penalties and fees collected by the City Attorney in any action to abate violations of the Planning Code's sign regulations shall be used to fund administration and enforcement of the sign regulations including the services of the City Attorney."

The Department and Commission staff would benefit from the revisions of this language to accurately reflect the diverse scope of enforcement cases, including historic preservation cases, and to ensure that funding is properly allocated within the Zoning and Compliance team.

### NOTABLE CASES, FY 2016 - 2017 (in progress/initiated)



151 Liberty Street 2016-003856ENF Liberty Hill Landmark District, Article 10

Case History:

Construction exceeded approved scope under Certificate of Appropriateness (2012.1523A). Construction was suspended with assistance from DBI and a new Certificate of Appropriateness was filed (2016-010387COA) to correct the scope of work.

Project sponsor was required to acquire the services of a preservation architect (Arnie Lerner) to address removal of all fabric at the primary façade. Plans were revised to restore the façade and entry stair based on historic documentation. Item was heard before the HPC on February 1, 2017. Plans were approved and issued on April 5, 2017. Staff has been provided monthly updates on construction status with photographs.

Site inspection with preservation architect on June 28, 2017 to review stucco and stair finishes and overall progress. Case will be closed following final inspections and issuance of Certificate of Completion with Planning Staff and DBI.

Last Action:



# 950 Lombard Street/841 Chestnut Street 2016-008722ENF

Category A building per CEQA review under case nos. 2002.0929E, 2014.1215E

Case History:

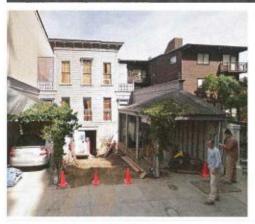
Between July 2016 and January 2017, multiple complaints were filed regarding work exceeding the approved scope on a 2012 building permit on a 1907 Willis Polk Residence that had been categorized as historically significant via CEQA review. Following a site inspection, staff discovered that the historic residence had been demolished, grossly exceeding the approved scope of work. The case was referred to the City Attorney's office and the Department reached a settlement agreement with the project sponsor for a civil penalty of \$400,000 with conditions. Under Planning Code Section 176, all civil penalties are allocated to the Planning Code Enforcement Fund.

Following the settlement, staff worked with DBI to approve accurate plans. A memo was issued to acknowledge that the residence is no longer a historic builidng, although the cottage structure at 950 Lombard Street remains intact and has been determined to be the only remaining historic feature of the property. The property remains a Category "A" historic resource for CEQA purposes.

A Conditional Use Authorization will be heard before the City Planning Commission on August 31<sup>st</sup> to consider the merging of 950 Lombard Street with 841 Chestnut Street, which was historically a through-lot parcel, to permit a density of two units within the RH-1 Zoning District.

Staff will be working with the City Attorney's Office to create a code amendment that will allow funds to be allocated to preservation-related enforcement efforts.

Next Steps:



982 Green Street 12728\_ENF Russian Hill-Macondray Lane Historic District, National Register

Case History:

Construction, including horizontal additions to both sides and rear and two new garages in front setback, completed without the benefit of a permit or standard environmental review.

Staff provided recommendations for a project that would meet the Secretary of the Interior's Standards; however, the property owner has opted to seek legalization of the completed work without Staff support.

Item to be heard as staff-initiated Discretionary Review on October 2<sup>nd</sup>, 2017, before the Planning Commission.

Images

Next Action:

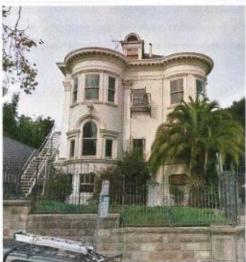
Prior to violation



Following unpermitted work



Construction of new side wings on residence; rear addition within required rear yard; construction of two parking structures.



930 Grove Street 2017-001791ENF Alamo Square Landmark District, Article 10

Case History:	Abandonment of the 1885 Koster Mansion, which was subdivided into
	12 units in the 1940s. Property is under review by a multi-agency task
	force including the Department of Building Inspection and the City
	Attorney's Office. Property is listed on the Vacant and Abandoned
	Buildings registry with DBI.
	Project sponsor was required to provide a Historic Structures Report by a
	qualified preservation consultant (Page & Turnbull).
Last Action:	Site inspection with task force and project architect on August 1, 2017 to
	discuss security measures required by City Attorney's office.
Next Action:	Sponsor will be required to file for a revised Certificate of
	Appropriateness to restore the property to a habitable state. Owner has
	been encouraged to consider a Mills Act Contract.